By: Jackson S.B. No. 279

Substitute the following for S.B. No. 279:

By: Raymond C.S.S.B. No. 279

## A BILL TO BE ENTITLED

AN ACT

2 relating to the continuation and functions of the Texas Department

- 3 of Licensing and Regulation, including certain functions
- 4 transferred to the department from the Texas Department of
- 5 Insurance and the Texas Commission on Environmental Quality and
- 6 including certain functions transferred from the department to the
- 7 Department of Public Safety.
- 8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 9 ARTICLE 1. TEXAS DEPARTMENT OF LICENSING AND REGULATION
- 10 SECTION 1.001. Section 51.002, Occupations Code, is amended
- 11 to read as follows:

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- 12 Sec. 51.002. APPLICATION OF SUNSET ACT. The Texas
- 13 Commission of Licensing and Regulation and the Texas Department of
- 14 Licensing and Regulation are subject to Chapter 325, Government
- 15 Code (Texas Sunset Act). Unless continued in existence as provided
- 16 by that chapter, the commission and the department are abolished
- 17 September 1, 2015 [<del>2003</del>].
- SECTION 1.002. Subchapter A, Chapter 51, Occupations Code,
- is amended by adding Section 51.003 to read as follows:
- 20 Sec. 51.003. APPLICABILITY. This chapter applies to each
- 21 regulatory program administered by the department, including any
- 22 program under which a license is issued by the department.
- SECTION 1.003. Section 51.052(a), Occupations Code, is
- 24 amended to read as follows:

- 1 (a) The commission consists of  $\underline{\text{five}}$  [ $\underline{\text{six}}$ ] members appointed
- 2 by the governor with the advice and consent of the senate.
- 3 SECTION 1.004. Section 51.053(b), Occupations Code, is
- 4 amended to read as follows:
- 5 (b) A person is not eligible for appointment as a member of
- 6 the commission if the person or the person's spouse:
- 7 (1) is regulated by the department;
- 8 (2) is employed by or participates in the management
- 9 of a business entity or other organization regulated by or
- 10 receiving funds from the department;
- 11 (3) owns or controls, directly or indirectly, more
- 12 than a 10 percent interest in a business entity or other
- organization regulated by or receiving funds from the department;
- 14 (4) uses or receives a substantial amount of tangible
- 15 goods, services, or funds from the department, other than
- 16 compensation or reimbursement authorized by law for commission
- membership, attendance, or expenses; or
- 18 (5) [is an officer, employee, or paid consultant of a
- 19 trade association in a field regulated by the department;
- 20  $\left[\frac{(6)}{}\right]$  is an employee of the department  $\left[\frac{}{}\right]$
- 21 [<del>(7) is required to register as a lobbyist under</del>
- 22 Chapter 305, Government Code, because of the person's activities
- 23 for compensation on behalf of a profession related to the operation
- 24 of the commission or department].
- SECTION 1.005. Subchapter B, Chapter 51, Occupations Code,
- is amended by adding Section 51.0535 to read as follows:
- Sec. 51.0535. CONFLICT OF INTEREST. (a) In this section,

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- 1 "Texas trade association" means a cooperative and voluntarily
- 2 joined statewide association of business or professional
- 3 competitors in this state designed to assist its members and its
- 4 industry or profession in dealing with mutual business or
- 5 professional problems and in promoting their common interest.
- 6 (b) A person may not be a member of the commission and may
- 7 <u>not be a department employee employed in a "bona fide executive,</u>
- 8 administrative, or professional capacity," as that phrase is used
- 9 for purposes of establishing an exemption to the overtime
- 10 provisions of the federal Fair Labor Standards Act of 1938 (29
- 11 U.S.C. Section 201 et seq.), and its subsequent amendments, if:
- 12 (1) the person is an officer, employee, or paid
- 13 consultant of a Texas trade association in a field regulated by the
- 14 department; or
- 15 (2) the person's spouse is an officer, manager, or paid
- 16 consultant of a Texas trade association in a field regulated by the
- 17 department.
- (c) A person may not be a member of the commission or act as
- 19 the general counsel to the commission or the department if the
- 20 person is required to register as a lobbyist under Chapter 305,
- 21 Government Code, because of the person's activities for
- 22 compensation on behalf of a profession related to the operation of
- 23 the department.
- SECTION 1.006. Subchapter B, Chapter 51, Occupations Code,
- is amended by adding Section 51.054 to read as follows:
- Sec. 51.054. TRAINING. (a) A person who is appointed to
- 27 and qualifies for office as a member of the commission may not vote,

deliberate, or be counted as a member in attendance at a meeting of 1 2 the commission until the person completes a training program that 3 complies with this section. 4 (b) The training program must provide the person with 5 information regarding: (1) the legislation that created the department and 6 7 the commission; 8 (2) the programs operated by the department; 9 (3) the role and functions of the department; (4) the rules of the department, with an emphasis on 10 the rules that relate to disciplinary and investigatory authority; 11 12 (5) the current budget for the department; (6) the results of the most recent formal audit of the 13 14 department; 15 (7) the requirements of: 16 (A) the open meetings law, Chapter 551, 17 Government Code; (B) the public information law, Chapter 552, 18 19 Government Code; 20 (C) the administrative procedure law, Chapter 21 2001, Government Code; and 22 (D) other laws relating to public officials,

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reimbursement, as provided by the General Appropriations Act, for

(8) any applicable ethics policies adopted by the

(c) A person appointed to the commission is entitled to

including conflict-of-interest laws; and

department or the Texas Ethics Commission.

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- 1 the travel expenses incurred in attending the training program
- 2 regardless of whether the attendance at the program occurs before
- 3 or after the person qualifies for office.
- 4 SECTION 1.007. Section 51.055(a), Occupations Code, is
- 5 amended to read as follows:
- 6 (a) Members of the commission serve staggered six-year
- 7 terms. The terms of <u>one or</u> two members expire on February 1 of each
- 8 odd-numbered year.
- 9 SECTION 1.008. Section 51.056(a), Occupations Code, is
- 10 amended to read as follows:
- 11 (a) The governor shall designate a member of the commission
- 12 as the presiding officer of the commission to serve in that capacity
- 13 at the pleasure of the governor [commission shall elect one of its
- 14 members as presiding officer. The presiding officer serves in that
- 15 capacity for a period of two years].
- SECTION 1.009. Sections 51.057(a) and (c), Occupations
- 17 Code, are amended to read as follows:
- 18 (a) It is a ground for removal from the commission that a
- 19 member:
- 20 (1) does not have at the time of taking office
- 21 [appointment] the qualifications required by Section 51.053 [for
- 22 appointment to the commission];
- 23 (2) does not maintain during service on the commission
- 24 the qualifications required by Section 51.053 [for appointment to
- 25 the commission];
- 26 (3) is ineligible for membership under [<del>violates a</del>
- 27 prohibition established by Section 51.0535 [51.053]; [or]

- 1 (4) cannot, because of illness or disability,
- 2 discharge the member's duties for a substantial part of the member's
- 3 <u>term; or</u>
- 4 (5) is absent from more than half of the regularly
- 5 scheduled commission meetings that the member is eligible to attend
- 6 during a calendar year <u>without an excuse approved</u> [<del>unless the</del>
- 7  $\frac{\text{absence is excused}}{\text{absence is excused}}$ ] by  $\frac{\text{a}}{\text{commission}}$ .
- 8 (c) If [a commission member or] the executive director has
- 9 knowledge that a potential ground for removal exists, the  $[\frac{member}{m}]$
- 10 or] executive director shall notify the presiding officer of the
- 11 commission of the <u>potential</u> ground. The presiding officer shall
- 12 then notify the governor <u>and the attorney general</u> that a potential
- 13 ground for removal exists. If the potential ground for removal
- 14 involves the presiding officer, the executive director shall notify
- 15 the next highest ranking officer of the commission, who shall then
- 16 notify the governor and the attorney general that a potential
- 17 ground for removal exists.
- SECTION 1.010. Section 51.105, Occupations Code, is amended
- 19 to read as follows:
- Sec. 51.105. DIVISION OF RESPONSIBILITIES. The commission
- 21 shall develop and implement policies that clearly separate the
- 22 policy-making [define the respective] responsibilities of the
- commission and the management responsibilities of  $[\tau]$  the executive
- 24 director  $[\tau]$  and the staff of the department.
- SECTION 1.011. Subchapter C, Chapter 51, Occupations Code,
- is amended by adding Section 51.106 to read as follows:
- 27 Sec. 51.106. INFORMATION ON STANDARDS OF CONDUCT. The

- 1 executive director or the executive director's designee shall
- 2 provide to members of the commission and to department employees,
- 3 as often as necessary, information regarding the requirements for
- 4 office or employment under this chapter, including information
- 5 regarding a person's responsibilities under applicable laws
- 6 relating to standards of conduct for state officers or employees.
- 7 SECTION 1.012. Section 51.108, Occupations Code, is amended
- 8 to read as follows:
- 9 Sec. 51.108. EQUAL EMPLOYMENT OPPORTUNITY POLICY. (a) The
- 10 executive director or the executive director's designee shall
- 11 prepare and maintain a written policy statement that implements a
- 12 program of [to assure implementation of an] equal employment
- opportunity to ensure that [program under which] all personnel
- 14 decisions [transactions] are made without regard to race, color,
- 15 disability, sex, religion, age, or national origin.
- 16 <u>(b)</u> The policy statement must include:
- 17 (1) personnel policies, including policies relating
- 18 [related] to recruitment, evaluation, selection, [appointment,]
- 19 training, and promotion of personnel, that show the intent of the
- 20 department to avoid the unlawful employment practices described by
- 21 Chapter 21, Labor Code; and
- 22 (2) an analysis of the extent to which the composition
- 23 of the department's personnel is in accordance with state and
- 24 federal law and a description of reasonable methods to achieve
- 25 compliance with state and federal law [a comprehensive analysis of
- 26 the department workforce that meets federal and state guidelines;
- [(3) procedures by which a determination can be made

- 1 of significant underuse in the department workforce of all persons
- 2 for whom federal or state guidelines encourage a more equitable
- 3 balance; and
- 4 [(4) reasonable methods to appropriately address
- 5 those areas of significant underuse].
- 6 (c) The [(b) A] policy statement [prepared under Subsection
- 7 <del>(a)</del>] must<u>:</u>
- 8 (1) [cover an annual period,] be updated [at least]
- 9 annually;
- 10 (2) be reviewed by the state Commission on Human
- 11 Rights for compliance with Subsection (b)(1);  $[\tau]$  and
- 12 (3) be filed with the governor's office [governor].
- SECTION 1.013. Subchapter C, Chapter 51, Occupations Code,
- is amended by adding Section 51.109 to read as follows:
- 15 Sec. 51.109. STATE EMPLOYEE INCENTIVE PROGRAM. The
- 16 executive director or the executive director's designee shall
- 17 provide to department employees information and training on the
- 18 benefits and methods of participation in the state employee
- 19 incentive program.
- SECTION 1.014. Sections 51.203 and 51.204, Occupations
- 21 Code, are amended to read as follows:
- Sec. 51.203. RULES REGARDING PROGRAMS REGULATED BY
- 23 <u>DEPARTMENT</u> [ADOPTED BY EXECUTIVE DIRECTOR]. The <u>commission</u>
- 24 [executive director] shall adopt rules as necessary to implement
- 25 each law establishing a program regulated by the department.
- Sec. 51.204. RULES RESTRICTING ADVERTISING OR COMPETITIVE
- 27 BIDDING. (a) The commission [executive director] may not adopt

- 1 rules restricting advertising or competitive bidding by a license
- 2 holder except to prohibit false, misleading, or deceptive
- 3 practices.
- 4 (b) The <u>commission</u> [executive director] may not include in
- 5 rules to prohibit false, misleading, or deceptive practices by a
- 6 license holder a rule that:
- 7 (1) restricts the use of any advertising medium;
- 8 (2) restricts the license holder's personal appearance
- 9 or the use of the license holder's voice in an advertisement;
- 10 (3) relates to the size or duration of an
- 11 advertisement; or
- 12 (4) restricts the use of a trade name in advertising.
- SECTION 1.015. Subchapter D, Chapter 51, Occupations Code,
- is amended by adding Sections 51.207 and 51.208 to read as follows:
- Sec. 51.207. USE OF TECHNOLOGY. The commission shall
- develop and implement a policy requiring the executive director and
- 17 department employees to research and propose appropriate
- 18 technological solutions to improve the department's ability to
- 19 perform its functions. The technological solutions must:
- 20 (1) ensure that the public is able to easily find
- 21 <u>information about the department on the Internet;</u>
- (2) ensure that persons who want to use the
- 23 <u>department's services are able to:</u>
- 24 (A) interact with the department through the
- 25 Internet; and
- 26 (B) access any service that can be provided
- 27 effectively through the Internet; and

- 1 (3) be cost-effective and developed through the
- 2 department's planning processes.
- 3 Sec. 51.208. NEGOTIATED RULEMAKING AND ALTERNATIVE DISPUTE
- 4 RESOLUTION PROCEDURES. (a) The commission shall develop and
- 5 implement a policy to encourage the use of:
- 6 (1) negotiated rulemaking procedures under Chapter
- 7 2008, Government Code, for the adoption of department rules; and
- 8 (2) appropriate alternative dispute resolution
- 9 procedures under Chapter 2009, Government Code, to assist in the
- 10 <u>resolution of internal and external disputes under the department's</u>
- 11 jurisdiction.
- 12 (b) The department's procedures relating to alternative
- 13 dispute resolution must conform, to the extent possible, to any
- 14 model guidelines issued by the State Office of Administrative
- 15 Hearings for the use of alternative dispute resolution by state
- 16 agencies.
- 17 (c) The commission shall designate a trained person to:
- 18 (1) coordinate the implementation of the policy
- 19 adopted under Subsection (a);
- 20 (2) serve as a resource for any training needed to
- 21 <u>implement the procedures for negotiated rulemaking or alternative</u>
- 22 dispute resolution; and
- 23 <u>(3) collect data concerning the effectiveness of</u>
- those procedures, as implemented by the department.
- 25 SECTION 1.016. Section 51.252, Occupations Code, is amended
- 26 to read as follows:
- Sec. 51.252. COMPLAINTS. (a) The executive director shall

- 1 establish methods by which consumers and service recipients are
- 2 notified of the name, mailing address, and telephone number of the
- 3 department for the purpose of directing complaints to the
- 4 department. The department shall provide to the person filing the
- 5 complaint and to each person who is a subject of the complaint
- 6 information about the department's policies and procedures
- 7 relating to complaint investigation and resolution.
- 8 (b) The department shall maintain a [keep an information]
- 9 file on [about] each written complaint filed with the department
- 10 [that the commission or executive director has authority to
- 11 <u>resolve</u>]. The file must include:
- 12 (1) the name of the person who filed the complaint;
- 13 (2) the date the complaint is received by the
- 14 department;
- 15 (3) the subject matter of the complaint;
- 16 (4) the name of each person contacted in relation to
- 17 the complaint;
- 18 (5) a summary of the results of the review or
- investigation of the complaint; and
- 20 (6) an explanation of the reason the file was closed,
- 21 if the department closed the file without taking action other than
- 22 to investigate the complaint.
- 23 (c) The [If a written complaint is filed that the commission
- 24 or executive director has authority to resolve, the] department, at
- least quarterly and until final disposition of the complaint, shall
- 26 notify the person filing [parties to] the complaint and each person
- 27 who is a subject of the complaint of the status of the investigation

- 1 [complaint] unless the notice would jeopardize an undercover
- 2 investigation.
- 3 (d) The commission shall adopt a procedure for documenting
- 4 complaints to the department from the time of the submission of the
- 5 initial complaint to the final disposition of the complaint. The
- 6 commission shall publish the procedure in the Texas Register.
- 7 SECTION 1.017. Section 51.302, Occupations Code, is amended
- 8 by adding Subsection (c) to read as follows:
- 9 (c) The commission shall by rule or by procedure published
- 10 <u>in the Texas Register establish a written enforcement plan that</u>
- 11 provides notice to license holders of the specific ranges of
- 12 penalties that apply to specific alleged violations and the
- 13 criteria by which the department determines the amount of a
- 14 proposed administrative penalty.
- 15 SECTION 1.018. Section 51.353, Occupations Code, is amended
- 16 to read as follows:
- Sec. 51.353. ADMINISTRATIVE SANCTIONS. (a) The <u>commission</u>
- 18 shall revoke, suspend, or refuse to renew a license or shall
- 19 reprimand a license holder for a violation of this chapter,
- 20 [executive director shall adopt rules relating to administrative
- 21 sanctions that may be enforced against a license holder regulated
- 22 by the department. If a license holder violates a law establishing
- 23 a regulatory program administered by the department, or a rule or
- 24 order of the commission [or executive director, the executive
- 25 director may:
- [(1) issue a written reprimand to the license holder;
- 27 [(2) revoke or suspend the license holder's license;

- 1 <del>or</del>
- 2 [<del>(3) place the license holder on probation if the</del>
- 3 person's license has been suspended].
- 4 (b) The commission may place on probation a person whose
- 5 license is suspended. If a license suspension is probated, the
- 6 <u>commission</u> [executive director] may require the <u>person</u> [license
- 7 holder to:
- 8 (1) report regularly to the department on matters that
- 9 are the basis of the probation;
- 10 (2) limit practice to the areas prescribed by the
- 11 commission [executive director]; or
- 12 (3) continue or renew professional education [in those
- 13 areas that are the basis for the probation] until the person
- 14 [license holder] attains a degree of skill satisfactory to the
- 15 commission in those areas that are the basis for the probation
- 16 [executive director].
- 17 SECTION 1.019. Chapter 51, Occupations Code, is amended by
- 18 adding Subchapter H to read as follows:
- 19 SUBCHAPTER H. LICENSE REQUIREMENTS
- Sec. 51.401. LICENSE EXPIRATION AND RENEWAL. (a) A person
- 21 who is otherwise eligible to renew a license may renew an unexpired
- license by paying the required renewal fee to the department before
- 23 the expiration date of the license. A person whose license has
- 24 expired may not engage in activities that require a license until
- 25 the license has been renewed.
- 26 (b) A person whose license has been expired for 90 days or
- less may renew the license by paying to the department a renewal fee

- 1 that is equal to 1-1/2 times the normally required renewal fee.
- 2 (c) A person whose license has been expired for more than 90
- 3 days but less than one year may renew the license by paying to the
- 4 department a renewal fee that is equal to two times the normally
- 5 required renewal fee.
- 6 (d) A person whose license has been expired for one year or
- 7 more may not renew the license. The person may obtain a new license
- 8 by complying with the requirements and procedures, including the
- 9 <u>examination requirements</u>, for obtaining an original license.
- 10 (e) A person who was licensed in this state, moved to
- another state, and is currently licensed and has been in practice in
- 12 the other state for the two years preceding the date of application
- 13 may obtain a new license without reexamination. The person must pay
- 14 to the department a fee that is equal to two times the normally
- 15 required renewal fee for the license.
- 16 (f) Not later than the 30th day before the date a person's
- 17 license is scheduled to expire, the department shall send written
- 18 notice of the impending expiration to the person at the person's
- 19 last known address according to the records of the department.
- Sec. 51.402. EXAMINATIONS. (a) Not later than the 30th day
- 21 after the date a person takes a license examination, the department
- 22 shall notify the person of the results of the examination.
- 23 (b) If the examination is graded or reviewed by a testing
- 24 service:
- 25 (1) the department shall notify the person of the
- 26 results of the examination not later than the 14th day after the
- 27 date the department receives the results from the testing service;

- 1 and
- 2 (2) if notice of the examination results will be
- 3 <u>delayed for longer than 90 days after the examination date, the</u>
- 4 department shall notify the person of the reason for the delay
- 5 before the 90th day.
- 6 (c) The department may require a testing service to notify a
- 7 person of the results of the person's examination.
- 8 (d) If requested in writing by a person who fails a license
- 9 <u>examination</u>, the department shall furnish the person with an
- analysis of the person's performance on the examination.
- 11 Sec. 51.403. EXAMINATION FEE REFUND. (a) The department
- 12 may refund a license examination fee to a person who is unable to
- 13 take the examination if the person:
- 14 (1) provides reasonable advance notice to the
- 15 <u>department; or</u>
- 16 (2) cannot take the examination because of an
- emergency.
- 18 (b) The commission by rule shall define what constitutes
- 19 reasonable notice and an emergency under this section.
- Sec. 51.404. ENDORSEMENT; RECIPROCITY. (a) The commission
- 21 may waive any prerequisite to obtaining a license for an applicant
- 22 after reviewing the applicant's credentials and determining that
- the applicant holds a license issued by another jurisdiction that
- 24 has licensing requirements substantially equivalent to those of
- 25 this state.
- 26 (b) The commission may waive any prerequisite to obtaining a
- 27 license for an applicant who holds a license issued by another

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- 1 jurisdiction with which this state has a reciprocity agreement.
- 2 The commission may make an agreement, subject to the approval of the
- 3 governor, with another state to allow for licensing by reciprocity.
- 4 Sec. 51.405. CONTINUING EDUCATION. The commission shall
- 5 recognize, prepare, or administer continuing education programs
- 6 for license holders. A license holder must participate in the
- 7 programs to the extent required by the commission to keep the
- 8 person's license.
- 9 SECTION 1.020. Section 51.205, Occupations Code, is
- 10 renumbered as Section 51.406, Occupations Code, and amended to read
- 11 as follows:
- 12 Sec. 51.406 [51.205]. STAGGERED [LICENSE EXPIRATION AND]
- 13 RENEWAL OF LICENSES. [<del>(a)</del>] The commission by rule [<del>executive</del>
- 14 director] may adopt a system under which licenses expire on various
- dates during the year. For the year in which the license expiration
- 16 date is changed, the department shall prorate license fees on a
- 17 monthly basis so that each license holder pays only that portion of
- 18 the license fee that is allocable to the number of months during
- 19 which the license is valid. On renewal of the license on the new
- 20 expiration date, the total license renewal fee is payable [annually
- 21 and may provide for a renewal period that exceeds 12 months.
- 22 [(b) The executive director shall notify a person regulated
- 23 by the department of the impending expiration of the person's
- 24 <del>license</del>].
- 25 SECTION 1.021. Chapter 51, Occupations Code, is amended by
- 26 adding Subchapter I to read as follows:
- 27 SUBCHAPTER I. TELEPHONE INFORMATION SYSTEM

- C.S.S.B. No. 279
- Sec. 51.451. DEFINITION. In this subchapter, "licensing
- 2 entity" means a department, commission, board, office, authority,
- 3 or other agency or governmental entity of this state that issues an
- 4 <u>occupational license.</u>
- 5 Sec. 51.452. TELEPHONE INFORMATION SYSTEM. The department
- 6 shall establish and operate a toll-free telephone information
- 7 system to provide assistance and referral services for persons who
- 8 inquire about a program regulated by a licensing entity.
- 9 Sec. 51.453. TELEPHONE LISTING. A licensing entity shall
- 10 list the toll-free telephone number of the information system with
- 11 the entity's regular telephone number.
- Sec. 51.454. FEES. The department shall charge licensing
- 13 entities fees in amounts sufficient to cover the cost of
- 14 implementing this subchapter, including fees on a subscription
- 15 basis, on the basis of each transaction, or on another service
- 16 basis.
- 17 SECTION 1.022. (a) Except as provided by Subsection (b) of
- 18 this section, the changes in law made by this article in the
- 19 prohibitions or qualifications applying to members of the Texas
- 20 Commission of Licensing and Regulation do not affect the
- 21 entitlement of a member serving on the commission immediately
- 22 before September 1, 2003, to continue to serve and function as a
- 23 member of the commission for the remainder of the member's term.
- 24 Those changes in law apply only to a member appointed on or after
- 25 September 1, 2003.
- 26 (b) To implement the changes in law made by this article to
- 27 the composition of the Texas Commission of Licensing and Regulation

- 1 under Section 51.052(a), Occupations Code, of the two positions
- 2 that have terms scheduled to expire on February 1, 2005, one of the
- 3 positions is abolished on September 1, 2003. On or before September
- 4 1, 2003, the two members whose terms are scheduled to expire on
- 5 February 1, 2005, shall determine by unanimous agreement or by lot
- 6 which of the two positions shall be abolished on September 1, 2003,
- 7 and shall inform the presiding officer of the Texas Commission of
- 8 Licensing and Regulation of that determination.
- 9 SECTION 1.023. Not later than September 1, 2004, the Texas
- 10 Department of Licensing and Regulation shall implement the
- 11 toll-free telephone information system required by Section 51.452,
- 12 Occupations Code, as added by this article.
- 13 SECTION 1.024. (a) In this section:
- 14 (1) "Department" means the Texas Department of
- 15 Licensing and Regulation.
- 16 (2) "Licensing entity" means a department,
- 17 commission, board, office, authority, or other agency or
- 18 governmental entity of this state that issues an occupational
- 19 license.
- 20 (3) "TexasOnline" means the project implemented under
- 21 Subchapter I, Chapter 2054, Government Code, as added by Chapter
- 342, Acts of the 77th Legislature, Regular Session, 2001.
- 23 (b) Not later than March 1, 2004, the department shall
- 24 identify licensing entities that do not use TexasOnline.
- 25 (c) Not later than September 1, 2004, the department shall
- 26 assist those entities to develop websites for, and to convert to,
- 27 TexasOnline.

- 1 (d) Licensing entities shall cooperate with the department
- 2 to implement this section.
- 3 SECTION 1.025. Not later than March 1, 2004, the Texas
- 4 Commission of Licensing and Regulation shall adopt the rules
- 5 required by Section 51.302(c), Occupations Code, as added by this
- 6 article.
- 7 SECTION 1.026. Section 51.053(c), Occupations Code, is
- 8 repealed.
- 9 SECTION 1.027. Section 51.252, Occupations Code, as amended
- 10 by this article, takes effect January 1, 2004.
- 11 ARTICLE 2. AIR CONDITIONING AND REFRIGERATION CONTRACTORS
- 12 SECTION 2.001. Section 1302.002, Occupations Code, is
- amended by amending Subdivision (5) and adding Subdivision (11-a)
- 14 to read as follows:
- 15 (5) "Air conditioning and refrigeration maintenance
- 16 work" means all work, including repair work, required for the
- 17 continued normal performance of an environmental air conditioning
- 18 system, a process cooling or heating system, a commercial
- 19 refrigeration system, or commercial refrigeration equipment. The
- 20 term does not include:
- 21 (A) the total replacement of a system; or
- 22 (B) the installation or repair of a boiler or
- 23 pressure vessel that must be installed in accordance with rules
- 24 adopted by the commission [commissioner] under Chapter 755, Health
- and Safety Code.
- 26 (11-a) "Executive director" means the executive
- 27 director of the department.

- C.S.S.B. No. 279
- 1 SECTION 2.002. The heading to Subchapter C, Chapter 1302,
- Occupations Code, is amended to read as follows:
- 3 SUBCHAPTER C. [COMMISSIONER AND DEPARTMENT] POWERS AND DUTIES
- 4 SECTION 2.003. Section 1302.101, Occupations Code, is
- 5 amended to conform to Section 2, Chapter 790, Acts of the 77th
- 6 Legislature, Regular Session, 2001, and is further amended to read
- 7 as follows:
- 8 Sec. 1302.101. GENERAL POWERS AND DUTIES [OF COMMISSIONER].
- 9 (a) The commission [commissioner] shall[:
- 10  $\left[\frac{(1)}{(1)}\right]$  adopt rules for the practice of air conditioning
- 11 and refrigeration contracting that are at least as strict as the
- 12 standards provided by:
- (1)  $[\frac{A}{A}]$  the Uniform Mechanical Code  $[\frac{A}{A}]$
- 14 jointly by the International Conference of Building Officials and
- 15 the International Association of Plumbing and Mechanical
- Officials, as that code exists at the time the rules are adopted];
- 17 and [<del>or</del>]
- 18 <u>(2)</u> [<del>(B)</del>] the <u>International</u> [Standard] Mechanical
- 19 Code.
- 20 (b) The executive director shall [published by the Southern
- 21 Building Code Congress International, Inc., as that code exists at
- 22 the time the rules are adopted;
- [ $\frac{(2)}{2}$ ] prescribe the design of an original and a
- 24 renewal license.
- 25 (c) The commission shall[; and
- [(3)] maintain a record of the commission's
- 27 [commissioner's] proceedings under this chapter.

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- 1 (d) [(b)] The executive director [commissioner] may
- 2 authorize disbursements necessary to implement this chapter,
- 3 including disbursements for office expenses, equipment costs, and
- 4 other necessary facilities.
- 5 SECTION 2.004. Section 1302.103, Occupations Code, is
- 6 amended to read as follows:
- 7 Sec. 1302.103. RULES REGARDING USE AND DISPLAY OF LICENSE.
- 8 The commission [commissioner], with the advice of the advisory
- 9 board, shall adopt rules relating to the use, display, and
- 10 advertisement of a license.
- 11 SECTION 2.005. Section 1302.201, Occupations Code, is
- 12 amended to read as follows:
- 13 Sec. 1302.201. ADVISORY BOARD MEMBERSHIP. The air
- 14 conditioning and refrigeration contractors advisory board consists
- 15 of six members appointed by the presiding officer of the
- 16 commission, with the commission's approval, [governor with the
- 17 advice and consent of the senate] and two ex officio nonvoting
- 18 members.
- 19 SECTION 2.006. Section 1302.204(a), Occupations Code, is
- 20 amended to read as follows:
- 21 (a) The advisory board shall advise the <u>commission</u>
- 22 [commissioner] in adopting rules and in administering and enforcing
- 23 this chapter.
- SECTION 2.007. Section 1302.205(b), Occupations Code, is
- 25 amended to read as follows:
- 26 (b) If a vacancy occurs during an appointed member's term,
- 27 the presiding officer of the commission, with the commission's

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- 1 approval, [governor] shall fill the vacancy for the remainder of
- 2 the unexpired term with a person who represents the same interests
- 3 as the predecessor.
- 4 SECTION 2.008. Section 1302.206, Occupations Code, is
- 5 amended to read as follows:
- 6 Sec. 1302.206. PRESIDING OFFICER. The presiding officer of
- 7 the commission, with the commission's approval, [governor] shall
- 8 designate one member of the advisory board to serve as presiding
- 9 officer of the board for two years.
- 10 SECTION 2.009. Section 1302.261, Occupations Code, is
- 11 amended to read as follows:
- 12 Sec. 1302.261. TEMPORARY LICENSE. The commission
- 13 [commissioner] by rule may provide for the issuance of a temporary
- 14 air conditioning and refrigeration contracting license to an
- 15 applicant who:
- 16 (1) submits to the <u>executive director</u> [<del>commissioner</del>]
- 17 an application on a form prescribed by the executive director
- 18 [commissioner]; and
- 19 (2) pays the required fees.
- SECTION 2.010. Section 1302.354(b), Occupations Code, is
- 21 amended to read as follows:
- (b) The commission [commissioner] by rule shall adopt
- 23 requirements governing the registration and issuance of a
- 24 certificate of registration.
- 25 SECTION 2.011. Section 1302.355(c), Occupations Code, is
- 26 amended to read as follows:
- 27 (c) The commission [commissioner] by rule shall establish

- 1 requirements for evidence that satisfies this section.
- 2 SECTION 2.012. The following laws are repealed:
- 3 (1) Section 1302.002(8), Occupations Code;
- 4 (2) Section 1302.107, Occupations Code;
- 5 (3) Section 1302.152, Occupations Code;
- 6 (4) Section 1302.258, Occupations Code;
- 7 (5) Section 1302.259, Occupations Code; and
- 8 (6) Chapter 790, Acts of the 77th Legislature, Regular 9 Session, 2001.
- 10 SECTION 2.013. The changes in law made by this article
- 11 applying to members of the air conditioning and refrigeration
- 12 contractors advisory board do not affect the entitlement of a
- member serving on the board immediately before September 1, 2003,
- 14 to continue to serve and function as a member of the board for the
- 15 remainder of the member's term. Those changes in law apply only to
- a member appointed on or after September 1, 2003.
- 17 ARTICLE 3. ARCHITECTURAL BARRIERS
- SECTION 3.001. Section 4, Article 9102, Revised Statutes,
- is amended by adding Subdivision (6-a) to read as follows:
- 20 (6-a) "Executive director" means the executive
- 21 <u>director of the department.</u>
- 22 SECTION 3.002. Article 9102, Revised Statutes, is amended
- 23 by adding Section 4A to read as follows:
- Sec. 4A. APPLICABILITY OF OTHER LAW. Section 51.404,
- Occupations Code, does not apply to this article.
- 26 SECTION 3.003. Sections 5A(c)-(h) and (j), Article 9102,
- 27 Revised Statutes, are amended to read as follows:

- 1 (c) An applicant for a certificate of registration must file 2 with the commission an application on a form prescribed by the 3 executive director [commissioner].
- 4 (d) To be eligible for a certificate of registration, an
  5 applicant must satisfy any requirements adopted by the <u>commission</u>
  6 [commissioner] by rule, including education and examination
  7 requirements.
- 8 (e) The <u>executive director</u> [commissioner] may issue a 9 certificate of registration to perform review functions of the commission, inspection functions of the commission, or both review and inspection functions.
- (f) The <u>executive director</u> [<u>commissioner</u>] may administer separate examinations for applicants for certificates of registration to perform review functions, inspection functions, or both review and inspection functions. [Not later than the 30th day after the examination date, the commissioner shall notify each examinee of the results of the examination.]
- (g) The <u>executive director</u> [<u>commissioner</u>] shall issue an appropriate certificate of registration to an applicant who meets the requirements for a certificate.
- 21 (h) The <u>commission</u> [<del>commissioner</del>] by rule shall specify the 22 term of a certificate of registration issued under this section.
- (j) A certificate holder shall perform a review or inspection function of the commission in a competent and professional manner and in compliance with:
- 26 (1) standards and specifications adopted by the 27 commission under this article; and

- 1 (2) rules adopted by the <u>commission</u> [<del>commissioner</del>]
- 2 under this article.
- 3 SECTION 3.004. Section 7, Article 9102, Revised Statutes,
- 4 is amended to read as follows:
- 5 Sec. 7. ADVISORY COMMITTEE; REVIEW OF AND COMMENT ON RULES.
- 6 (a) The presiding officer of the commission, with the commission's
- 7 <u>approval</u>, shall appoint an advisory committee for the architectural
- 8 barriers program. The committee shall be composed of building
- 9 professionals and persons with disabilities who are familiar with
- 10 architectural barrier problems and solutions. The committee shall
- 11 be composed of at least eight members. Persons with disabilities
- must make up a majority of the membership.
- 13 (b) A committee member serves at the will of the presiding
- 14 officer of the commission. A member may not receive compensation
- 15 for service on the committee but is entitled to reimbursement for
- 16 actual and necessary expenses incurred in performing functions as a
- member.
- 18 (c) The presiding officer of the commission, with the
- 19 <u>commission's approval, [committee]</u> shall <u>appoint</u> [elect] a member
- 20 of the committee as chair for two years. The committee shall meet
- 21 at least twice each calendar year at the call of the committee chair
- or at the call of the commission [commissioner].
- 23 (d) The committee periodically shall review the rules
- 24 relating to the architectural barriers program and recommend
- changes in the rules to the commission [and the commissioner]. The
- 26 commission shall submit all proposed changes to rules and
- 27 procedures that relate to the architectural barriers program to the

- 1 committee for review and comment before adoption or implementation
- of the new or amended rule or procedure.
- 3 SECTION 3.005. Article 9102, Revised Statutes, is amended
- 4 by adding Section 9 to read as follows:
- 5 Sec. 9. COMPLAINTS. (a) A complaint made under Section
- 6 51.252, Occupations Code, that alleges that a building or facility
- 7 is not in compliance with the standards and specifications adopted
- 8 by the commission under this article is not eligible for final
- 9 disposition until the commission determines that:
- 10 (1) the building or facility has been brought into
- 11 compliance or cannot be brought into compliance; or
- 12 (2) the building or facility is exempt from compliance
- 13 by statute or rule.
- 14 (b) If the building or facility cannot be brought into
- compliance or if the building or facility is exempt, the department
- shall, before final disposition of the complaint, notify the person
- 17 filing the complaint that the building or facility cannot be
- 18 brought into compliance or provide a reference to any rule or law
- 19 that states an applicable exemption.
- 20 SECTION 3.006. The following laws are repealed:
- 21 (1) Section 4(3), Article 9102, Revised Statutes; and
- 22 (2) Section 5A(i), Article 9102, Revised Statutes.
- 23 SECTION 3.007. The changes in law made by this article
- 24 applying to members of the advisory committee for the program for
- 25 the elimination of architectural barriers do not affect the
- 26 entitlement of a member serving on the committee immediately before
- 27 September 1, 2003, to continue to serve and function as a member of

- 1 the committee for the remainder of the member's term. Those changes
- 2 in law apply only to a member appointed on or after September 1,
- 3 2003.
- 4 ARTICLE 4. AUCTIONEERS
- 5 SECTION 4.001. Section 1802.001, Occupations Code, is
- 6 amended by adding Subdivision (8-a) to read as follows:
- 7 <u>(8-a) "Executive director" means the executive</u>
- 8 director of the department.
- 9 SECTION 4.002. Sections 1802.059(a), (b), and (d),
- 10 Occupations Code, are amended to read as follows:
- 11 (a) An applicant for an auctioneer's license who is not a
- 12 resident of this state but is licensed as an auctioneer in another
- 13 state must submit to the executive director [commissioner]:
- 14 (1) a license application;
- 15 (2) a certified copy of the auctioneer's license
- 16 issued to the applicant by the state or political subdivision in
- 17 which the applicant resides; and
- 18 (3) proof that the state or political subdivision in
- 19 which the applicant is licensed has competency standards equivalent
- 20 to or stricter than those of this state.
- 21 (b) The <u>executive director</u> [<del>commissioner</del>] shall accept the
- 22 applicant's auctioneer's license submitted under Subsection (a)(2)
- 23 as proof of the applicant's professional competence and waive the
- 24 examination and training requirements of Section 1802.052 if the
- 25 state or political subdivision that issued the nonresident a
- license extends similar recognition and courtesies to this state.
- 27 (d) A nonresident applicant must submit with the

- 1 application a written irrevocable consent to service of process.
- 2 The consent must be in the form and supported by additional
- 3 information that the commission [commissioner] by rule requires.
- 4 The consent must:
- 5 (1) provide that an action relating to any transaction
- 6 subject to this chapter may be commenced against the license holder
- 7 in the proper court of any county of this state in which the cause of
- 8 action may arise or in which the plaintiff may reside by service of
- 9 process on the executive director [commissioner] as the license
- 10 holder's agent; and
- 11 (2) include a statement stipulating and agreeing that
- 12 service provided by this section is as valid and binding as if
- 13 service had been made on the person according to the laws of this or
- 14 any other state.
- 15 SECTION 4.003. Section 1802.101, Occupations Code, is
- 16 amended to read as follows:
- 17 Sec. 1802.101. AUCTIONEER EDUCATION ADVISORY BOARD. The
- 18 advisory board shall advise the commission [commissioner] on
- 19 educational matters.
- SECTION 4.004. Sections 1802.102(a) and (b), Occupations
- 21 Code, are amended to read as follows:
- 22 (a) The advisory board consists of five members appointed as
- 23 follows:
- 24 (1) three members who are licensed auctioneers
- 25 appointed by the presiding officer of the commission, with the
- 26 commission's approval [commissioner];
- 27 (2) the executive director of the Texas Department of

- 1 Economic Development or the director's designee; and
- 2 (3) the commissioner of education or the
- 3 commissioner's designee.
- 4 (b) In appointing advisory board members under Subsection
- 5 (a)(1), the presiding officer of the commission [commissioner] may
- 6 not appoint members who reside in contiguous senatorial districts.
- 7 SECTION 4.005. Section 1802.103(a), Occupations Code, is
- 8 amended to read as follows:
- 9 (a) The members appointed under Section 1802.102(a)(1)
- 10 serve two-year terms that expire on September 1. If a vacancy
- 11 occurs during the term of such a member, the presiding officer of
- 12 the commission, with the commission's approval, [commissioner]
- 13 shall appoint a replacement to serve for the remainder of the term.
- 14 SECTION 4.006. Section 1802.104, Occupations Code, is
- 15 amended to read as follows:
- Sec. 1802.104. PRESIDING OFFICER. The presiding officer of
- 17 the commission, with the commission's approval, shall appoint a
- 18 <u>member of the</u> advisory board to serve [shall designate one of its
- 19 members] as presiding officer of the board. The presiding officer
- 20 serves for two years.
- 21 SECTION 4.007. Section 1802.109, Occupations Code, is
- 22 amended to read as follows:
- Sec. 1802.109. AUCTIONEER EDUCATION PROGRAMS. (a) The
- 24 advisory board shall:
- 25 (1) evaluate educational programs, seminars, and
- 26 training projects; and
- 27 (2) make recommendations to the commission

- 1 [commissioner] on their usefulness and merit as continuing
- 2 education tools.
- 3 (b) On the recommendation of the advisory board, the
- 4 commission [commissioner] may fund or underwrite specific classes,
- 5 seminars, or events for the education and advancement of the
- 6 auctioneering profession in this state.
- 7 SECTION 4.008. Section 1802.153(a), Occupations Code, is
- 8 amended to read as follows:
- 9 (a) In addition to any other fees required by this chapter,
- 10 an applicant entitled to receive a license under this chapter must
- 11 pay a fee [of \$100] before the executive director [commissioner]
- 12 issues the license.
- 13 SECTION 4.009. Section 1802.201, Occupations Code, is
- 14 amended to read as follows:
- 15 Sec. 1802.201. INVESTIGATION OF COMPLAINTS. The <u>executive</u>
- 16 director [commissioner] may, on the executive director's
- 17 [commissioner's] motion, and shall, on the written [and verified]
- 18 complaint of a person aggrieved by the actions of an auctioneer in
- 19 an auction, investigate an alleged violation of this chapter by a
- 20 licensed or unlicensed auctioneer or an applicant.
- SECTION 4.010. Sections 1802.202(a) and (b), Occupations
- 22 Code, are amended to read as follows:
- 23 (a) A person who deals with an auctioneer licensed under
- this chapter and who is aggrieved by an action of the auctioneer as
- 25 a result of a violation of a contract made with the auctioneer may
- 26 initiate a claim against the fund by [+
- [(1)] filing with the department a [(1)] complaint

- 1 against the auctioneer[; and
- 2 [(2) paying to the department a filing fee of \$50].
- 3 (b) The <u>executive director</u> [<del>commissioner</del>] may not pay a
- 4 claim against an auctioneer who was not licensed at the time of the
- 5 transaction on which the claim is based.
- 6 SECTION 4.011. Section 1802.203(c), Occupations Code, is
- 7 amended to read as follows:
- 8 (c) After the hearing, the hearings examiner shall prepare a
- 9 proposal for decision for the commission [commissioner].
- 10 SECTION 4.012. Section 1802.204, Occupations Code, is
- 11 amended to read as follows:
- 12 Sec. 1802.204. APPEAL. A party may appeal a decision of the
- 13 commission [commissioner] in the manner provided for a contested
- 14 case under Chapter 2001, Government Code.
- 15 SECTION 4.013. Section 1802.207, Occupations Code, is
- 16 amended to read as follows:
- 17 Sec. 1802.207. REIMBURSEMENT; INTEREST. (a) If the
- 18 executive director [commissioner] pays a claim against an
- 19 auctioneer, the auctioneer shall:
- 20 (1) reimburse the fund immediately or agree in writing
- 21 to reimburse the fund on a schedule to be determined by rule of the
- 22 commission [commissioner]; and
- 23 (2) immediately pay the aggrieved party any amount due
- 24 to that party or agree in writing to pay the party on a schedule to
- be determined by rule of the commission [commissioner].
- 26 (b) Payments made by an auctioneer to the fund or to an
- 27 aggrieved party under this section include interest accruing at the

- 1 rate of eight percent a year beginning on the date the <u>executive</u>
- 2 director [commissioner] pays the claim.
- 3 SECTION 4.014. Section 1802.209(a), Occupations Code, is
- 4 amended to read as follows:
- 5 (a) This subchapter and Section 1802.252 do not limit the
- 6 <u>commission's</u> [commissioner's] authority to take disciplinary
- 7 action against a license holder for a violation of this chapter or a
- 8 rule adopted under this chapter.
- 9 SECTION 4.015. Section 1802.251, Occupations Code, is
- 10 amended to read as follows:
- 11 Sec. 1802.251. DENIAL OF APPLICATION; SUSPENSION OR
- 12 REVOCATION OF LICENSE. The commission [commissioner] may deny an
- 13 application for a license or suspend or revoke the license of any
- 14 auctioneer for:
- 15 (1) violating this chapter or a rule adopted under
- 16 this chapter;
- 17 (2) obtaining a license through false or fraudulent
- 18 representation;
- 19 (3) making a substantial misrepresentation in an
- 20 application for an auctioneer's license;
- 21 (4) engaging in a continued and flagrant course of
- 22 misrepresentation or making false promises through an agent,
- 23 advertising, or otherwise;
- 24 (5) failing to account for or remit, within a
- 25 reasonable time, money belonging to another that is in the
- 26 auctioneer's possession and commingling funds of another with the
- 27 auctioneer's funds or failing to keep the funds of another in an

- 1 escrow or trust account; or
- 2 (6) [being convicted in a court of this state or
- 3 another state of a criminal offense involving moral turpitude or a
- 4 <del>felony; or</del>
- 5  $\left[\frac{(7)}{}\right]$  violating the Business & Commerce Code in
- 6 conducting an auction.
- 7 SECTION 4.016. Section 1802.252, Occupations Code, is
- 8 amended to read as follows:
- 9 Sec. 1802.252. REVOCATION FOR CLAIM ON FUND. (a) The
- 10 <u>commission</u> [commissioner] may revoke a license issued under this
- 11 chapter if the executive director [commissioner] makes a payment
- 12 from the fund as the result of an action of the license holder.
- 13 (b) The commission [commissioner] may probate an order
- 14 revoking a license.
- 15 (c) An auctioneer is not eligible for a new license until
- the auctioneer has repaid in full the amount paid from the fund on
- 17 the auctioneer's account, including interest, unless:
- 18 (1) a hearing is held; and
- 19 (2) the executive director [commissioner] issues a new
- 20 probated license.
- 21 SECTION 4.017. Section 1802.253, Occupations Code, is
- 22 amended to read as follows:
- Sec. 1802.253. HEARING. (a) Before denying an application
- 24 for a license [or suspending or revoking a license], the commission
- 25 [commissioner] shall:
- 26 (1) set the matter for a hearing; and
- 27 (2) before the [30th day before the] hearing date,

- 1 notify the applicant [or license holder] in writing of:
- 2 (A) the charges alleged or the question to be
- 3 determined at the hearing; and
- 4 (B) the date and location of the hearing.
- 5 (b) At a hearing under this section, the applicant [<del>or</del> 6 <del>license holder</del>] may:
- 7 (1) be present and be heard in person or by counsel;
- 8 and
- 9 (2) have an opportunity to offer evidence by oral 10 testimony, affidavit, or deposition.
- 11 (c) Written notice may be served by personal delivery to the
- 12 applicant [or license holder] or by certified mail to the last known
- 13 mailing address of the applicant [or license holder].
- 14 (d) If the applicant [or license holder] who is the subject
- 15 of the hearing is an associate auctioneer, the commission
- 16 [commissioner] shall provide written notice to the auctioneer who
- 17 employs the associate auctioneer or who has agreed to employ the
- 18 associate auctioneer by mailing the notice by certified mail to the
- 19 auctioneer's last known mailing address.
- SECTION 4.018. Section 1802.303(a), Occupations Code, is
- 21 amended to read as follows:
- 22 (a) A person commits an offense if the person violates a
- 23 provision of this chapter or a rule adopted by the <a href="commission">commission</a>
- 24 [commissioner] under this chapter for which a penalty is not
- 25 provided.
- 26 SECTION 4.019. The following laws are repealed:
- 27 (1) Section 1802.001(7), Occupations Code;

- 1 (2) Section 1802.057, Occupations Code;
- 2 (3) Section 1802.061, Occupations Code; and
- 3 (4) Section 1802.254, Occupations Code.

SECTION 4.020. The changes in law made by this article applying to members of the Auctioneer Education Advisory Board do not affect the entitlement of a member serving on the board immediately before September 1, 2003, to continue to serve and function as a member of the board for the remainder of the member's term. Those changes in law apply only to a member appointed on or

- 10 after September 1, 2003.
- 11 ARTICLE 5. BACKFLOW PREVENTION ASSEMBLY TESTERS
- SECTION 5.001. Section 341.034(c), Health and Safety Code, is amended to read as follows:
- 14 (c) A person who repairs or tests the installation or
- 15 operation of backflow prevention assemblies must hold a license

issued by the <u>Texas Department of Licensing and Regulation</u>

- 17 [commission] under Chapter 51, Occupations [37, Water] Code.
- 18 SECTION 5.002. (a) On November 1, 2003:
- 19 (1) all functions and activities relating to Section
- 20 341.034(c), Health and Safety Code, performed by the Texas
- 21 Commission on Environmental Quality immediately before that date
- 22 are transferred to the Texas Department of Licensing and
- 23 Regulation;

16

- 24 (2) a rule or form adopted by the Texas Commission on
- 25 Environmental Quality that relates to Section 341.034(c), Health
- 26 and Safety Code, is a rule or form of the Texas Department of
- 27 Licensing and Regulation and remains in effect until amended or

- 1 replaced by that department;
- 2 (3) a license or other document issued by the Texas
- 3 Commission on Environmental Quality that relates to Section
- 4 341.034(c), Health and Safety Code, is considered a license or
- 5 other document issued by the Texas Department of Licensing and
- 6 Regulation and remains in effect until amended or replaced by that
- 7 department;
- 8 (4) a reference in law or an administrative rule to the
- 9 Texas Commission on Environmental Quality that relates to Section
- 10 341.034(c), Health and Safety Code, means the Texas Department of
- 11 Licensing and Regulation;
- 12 (5) a complaint, investigation, or other proceeding
- 13 before the Texas Commission on Environmental Quality that is
- 14 related to Section 341.034(c), Health and Safety Code, is
- 15 transferred without change in status to the Texas Department of
- 16 Licensing and Regulation, and the Texas Department of Licensing and
- 17 Regulation assumes, as appropriate and without a change in status,
- 18 the position of the Texas Commission on Environmental Quality in an
- 19 action or proceeding to which the Texas Commission on Environmental
- 20 Quality is a party;
- 21 (6) all money, contracts, leases, property, and
- 22 obligations of the Texas Commission on Environmental Quality
- 23 related to Section 341.034(c), Health and Safety Code, are
- 24 transferred to the Texas Department of Licensing and Regulation;
- 25 (7) all property in the custody of the Texas
- 26 Commission on Environmental Quality related to Section 341.034(c),
- 27 Health and Safety Code, is transferred to the Texas Department of

- 1 Licensing and Regulation; and
- 2 (8) the unexpended and unobligated balance of any
- 3 money appropriated by the legislature for the Texas Commission on
- 4 Environmental Quality related to Section 341.034(c), Health and
- 5 Safety Code, is transferred to the Texas Department of Licensing
- 6 and Regulation.
- 7 (b) Before November 1, 2003, the Texas Commission on
- 8 Environmental Quality may agree with the Texas Department of
- 9 Licensing and Regulation to transfer any property of the Texas
- 10 Commission on Environmental Quality to the Texas Department of
- 11 Licensing and Regulation to implement the transfer required by this
- 12 article.
- 13 (c) In the period beginning on the effective date of this
- 14 Act and ending on November 1, 2003, the Texas Commission on
- 15 Environmental Quality shall continue to perform functions and
- 16 activities under Section 341.034(c), Health and Safety Code, as if
- 17 that section had not been amended by this Act, and the former law is
- 18 continued in effect for that purpose.
- 19 ARTICLE 6. BOILERS
- SECTION 6.001. Section 755.001, Health and Safety Code, is
- 21 amended by amending Subdivisions (5), (6), and (23) and adding
- 22 Subdivision (7-a) to read as follows:
- 23 (5) "Certificate of operation" means a certificate
- 24 issued by the <u>executive director</u> [<del>commissioner</del>] to allow the
- 25 operation of a boiler.
- 26 (6) "Commission" ["Commissioner"] means the Texas
- 27 Commission of Licensing and Regulation [commissioner of licensing

- 1 and regulation].
- 2 (7-a) "Executive director" means the executive
- 3 <u>director of the department.</u>
- 4 (23) "Standard boiler" means a boiler that bears a
- 5 Texas stamp, the stamp of a nationally recognized engineering
- 6 professional society, or the stamp of any jurisdiction that has
- 7 adopted a standard of construction equivalent to the standard
- 8 required by the executive director [commissioner].
- 9 SECTION 6.002. Sections 755.011(b) and (d), Health and
- 10 Safety Code, are amended to read as follows:
- 11 (b) The board is composed of the following nine members
- 12 appointed by the presiding officer of the commission, with the
- 13 commission's approval [commissioner]:
- 14 (1) three members representing persons who own or use
- 15 boilers in this state;
- 16 (2) three members representing companies that insure
- 17 boilers in this state;
- 18 (3) one member representing boiler manufacturers or
- 19 installers;
- 20 (4) one member who is a mechanical engineer and a
- 21 member of the faculty of a recognized college of engineering in this
- 22 state; and
- 23 (5) one member representing a labor union.
- 24 (d) The <u>executive director</u> [<del>commissioner</del>] serves as an ex
- 25 officio board member.
- SECTION 6.003. Section 755.013, Health and Safety Code, is
- 27 amended to read as follows:

- C.S.S.B. No. 279
- 1 Sec. 755.013. PRESIDING OFFICER [CHAIRMAN]. The chief
- 2 inspector serves as presiding officer [chairman] of the board.
- 3 SECTION 6.004. Section 755.014, Health and Safety Code, is
- 4 amended to read as follows:
- 5 Sec. 755.014. REMOVAL OF BOARD MEMBERS; VACANCY. (a) The
- 6 <u>commission</u> [commissioner] may remove a board member for
- 7 inefficiency or neglect of official duty.
- 8 (b) A board member's office becomes vacant on the
- 9 resignation, death, suspension, or incapacity of the member. The
- 10 presiding officer of the commission [commissioner] shall appoint,
- in the same manner as the original appointment, a person to serve
- 12 for the remainder of the unexpired term.
- 13 SECTION 6.005. Section 755.016, Health and Safety Code, is
- 14 amended to read as follows:
- Sec. 755.016. MEETINGS. The board shall meet at least twice
- each year at the call of the <a href="mailto:presiding officer">presiding officer</a> [chairman] at a place
- 17 designated by the board.
- 18 SECTION 6.006. Section 755.017, Health and Safety Code, is
- 19 amended to read as follows:
- Sec. 755.017. POWERS AND DUTIES. The board shall advise the
- 21 <u>commission</u> [commissioner] in the adoption of definitions and rules
- 22 relating to the safe construction, installation, inspection,
- 23 operating limits, alteration, and repair of boilers and their
- 24 appurtenances.
- SECTION 6.007. Section 755.030(a), Health and Safety Code,
- 26 is amended to read as follows:
- 27 (a) In addition to the fees described by Section 51.202,

- 1 Occupations Code, the commission may authorize the collection of
- 2 fees for:
- 3 (1) boiler inspections, including fees for special
- 4 inspections; and
- 5 (2) other activities administered by the boiler
- 6 inspection section and authorized by rule of the <a href="commission">commission</a>
- 7 [executive director of the department].
- 8 SECTION 6.008. Section 755.032, Health and Safety Code, is
- 9 amended to read as follows:
- Sec. 755.032. RULES. (a) The <u>commission</u> [<del>commissioner</del>]
- 11 may adopt and enforce rules, in accordance with standard boiler
- 12 usage, for the construction, inspection, installation, use,
- 13 maintenance, repair, alteration, and operation of boilers.
- (b) The executive director [commissioner] may exchange
- information, including data on experience, with other authorities
- 16 that inspect boilers or their appurtenances, to obtain information
- 17 necessary to adopt rules.
- 18 (c) The <u>executive director</u> [commissioner] or a department
- 19 employee may not prescribe the make, brand, or kind of boilers or
- any appurtenances on the boiler to purchase.
- 21 (d) The <u>executive director</u> [commissioner] or a department
- 22 employee may not prescribe the make, brand, or kind of boilers to
- 23 purchase.
- SECTION 6.009. Section 755.033, Health and Safety Code, is
- 25 amended to read as follows:
- Sec. 755.033. INTERAGENCY INSPECTION AGREEMENTS. (a) The
- 27 executive director [commissioner] shall enter into interagency

- 1 agreements with the Texas Department of Health, the Texas
- 2 Commission on Fire Protection, and the Texas Department [State
- 3 Board of Insurance under which inspectors, marshals, or
- 4 investigators from those agencies who discover unsafe or
- 5 unregistered boilers in the course and scope of inspections
- 6 conducted as part of regulatory or safety programs administered by
- 7 those agencies are required to report the unsafe or unregistered
- 8 boilers to the executive director [commissioner].
- 9 (b) The <u>executive director</u> [<u>commissioner</u>] may enter <u>into</u>
  10 analogous agreements with local fire marshals.
- io analogous agreements with local life maishais.
- 11 (c) The  $\underline{\text{commission}}$  [ $\underline{\text{commissioner}}$ ] shall adopt rules
- 12 relating to the terms and conditions of an interagency agreement
- 13 entered into under this section.
- 14 SECTION 6.010. Sections 755.041(b) and (d), Health and
- 15 Safety Code, are amended to read as follows:
- 16 (b) On written request, an owner or operator who does not
- 17 comply with a preliminary order is entitled to a hearing before the
- 18 executive director [commissioner] to show cause for not enforcing
- 19 the preliminary order. If, after the hearing, the executive
- 20 director [commissioner] determines that the boiler is unsafe and
- 21 that the preliminary order should be enforced, or that other acts
- 22 are necessary to make the boiler safe, the executive director
- 23 [commissioner] may order or confirm the withholding of the
- 24 certificate of operation for that boiler, and may impose additional
- 25 requirements as necessary for the repair or alteration of the
- 26 boiler or the correction of the unsafe conditions.
- 27 (d) This section does not limit the <u>executive director's</u>

- 1 [commissioner's] authority under Section 755.028 or the
- 2 commission's authority under Section 755.032.
- 3 SECTION 6.011. Section 755.043(a), Health and Safety Code,
- 4 is amended to read as follows:
- 5 (a) A person, firm, or corporation commits an offense if:
- 6 (1) the person, firm, or corporation owns a boiler in
- 7 this state, has the custody, management, use, or operation of a
- 8 boiler in this state, or is otherwise subject to this chapter or a
- 9 rule adopted under this chapter; and
- 10 (2) the person, firm, or corporation violates this
- 11 chapter, a rule adopted under this chapter, or an order issued by
- 12 the commission, the executive director, [commissioner] or a
- 13 regularly employed inspector authorized to enforce this chapter and
- 14 rules and orders.
- 15 SECTION 6.012. Section 755.045, Health and Safety Code, is
- 16 amended to read as follows:
- 17 Sec. 755.045. NOTICE OF RULE OR ORDER REQUIRED BEFORE
- 18 PROSECUTION. A criminal action may not be maintained against any
- 19 person relating to the violation of a rule adopted or an order
- 20 issued under this chapter until the commission [commissioner] gives
- 21 notice of the rule or order.
- SECTION 6.013. Section 755.046, Health and Safety Code, is
- 23 amended to read as follows:
- Sec. 755.046. AFFIDAVIT OF ORDERS. An affidavit is
- 25 admissible as evidence in any civil or criminal action involving an
- 26 order adopted by the commission or the executive director
- 27 [commissioner] and the publication of the order, without further

- 1 proof of the order's issuance or publication or of the contents of
- 2 the order, if the affidavit:
- 3 (1) is issued under the seal of the <u>commission or the</u>
- 4 <u>executive director</u> [commissioner];
- 5 (2) is executed by the commission, the executive
- 6 <u>director</u> [commissioner], the chief inspector, or a deputy
- 7 inspector;
- 8 (3) states the terms of the order;
- 9 (4) states that the order was issued and published;
- 10 and
- 11 (5) states that the order was in effect during the
- 12 period specified by the affidavit.
- 13 SECTION 6.014. The following laws are repealed:
- 14 (1) Sections 755.024(c), (d), (e), and (h), Health and
- 15 Safety Code; and
- 16 (2) Section 755.031, Health and Safety Code.
- 17 SECTION 6.015. The changes in law made by this article
- 18 applying to members of the board of boiler rules do not affect the
- 19 entitlement of a member serving on the board immediately before
- 20 September 1, 2003, to continue to serve and function as a member of
- 21 the board for the remainder of the member's term. Those changes in
- law apply only to a member appointed on or after September 1, 2003.
- 23 ARTICLE 7. CAREER COUNSELING SERVICES
- SECTION 7.001. Section 2502.001, Occupations Code, is
- amended by amending Subdivision (3) and adding Subdivision (4-a) to
- 26 read as follows:
- 27 (3) "Commission" [Commissioner"] means the Texas

- 1 Commission of Licensing and Regulation [commissioner of licensing
- 2 and regulation].
- 3 (4-a) "Executive director" means the executive
- 4 director of the department.
- 5 SECTION 7.002. Section 2502.056, Occupations Code, is
- 6 amended to read as follows:
- 7 Sec. 2502.056. RULES. The <u>commission</u> [<del>commissioner</del>] may
- 8 adopt rules relating to the administration and enforcement of the
- 9 certificate of authority program created under this subchapter.
- SECTION 7.003. Subchapter B, Chapter 2502, Occupations
- 11 Code, is amended by adding Section 2502.058 to read as follows:
- 12 Sec. 2502.058. APPLICABILITY OF OTHER LAW. Section 51.404
- does not apply to this chapter.
- 14 SECTION 7.004. Section 2502.202(b), Occupations Code, is
- 15 amended to read as follows:
- 16 (b) Not later than 10 days [48 hours] after a career
- 17 counseling service receives a written complaint, the service shall
- 18 respond to the complaint. Not later than the 30th [10th] day after
- 19 the date the complaint is received, the service shall resolve the
- 20 complaint.
- 21 SECTION 7.005. Section 2502.203(a), Occupations Code, is
- 22 amended to read as follows:
- 23 (a) If a career counseling service cannot resolve a
- 24 complaint within the period described by Section 2502.202, the
- 25 service shall:
- 26 (1) refer the complaint to a qualified independent
- 27 arbitration organization recognized by the department; and

- 1 (2) resolve the complaint not later than the  $\underline{60th}$
- 2 [30th] day after the date the <u>arbitration begins</u> [complaint is
- 3 referred for arbitration].
- 4 SECTION 7.006. Section 2502.252, Occupations Code, is
- 5 amended to read as follows:
- 6 Sec. 2502.252. COMPLAINT AND INVESTIGATION. (a) A person
- 7 [by sworn affidavit] may file with the executive director
- 8 [commissioner] a complaint alleging a violation of this chapter.
- 9 (b) On receipt of the complaint, the <u>executive director</u>
- 10 [commissioner] shall investigate the alleged violation and may:
- 11 (1) inspect any record relevant to the complaint; and
- 12 (2) subpoena the record and any necessary witness.
- SECTION 7.007. Sections 2502.253(a) and (c), Occupations
- 14 Code, are amended to read as follows:
- 15 (a) If the executive director [commissioner] determines as
- 16 a result of an investigation that a violation of this chapter may
- 17 have occurred, the executive director [commissioner] shall hold a
- 18 hearing [not later than the 45th day after the date the complaint
- 19 was filed under Section 2502.252].
- 20 (c) The executive director [commissioner] shall render a
- 21 decision on the alleged violation [not later than the eighth day]
- 22 after [the date] the hearing is concluded.
- 23 SECTION 7.008. Section 2502.254, Occupations Code, is
- 24 amended to read as follows:
- Sec. 2502.254. SANCTIONS. (a) If, after a hearing, the
- 26 commission [commissioner] determines that a career counseling
- 27 service has violated this chapter, the commission [commissioner]

- 1 may, as appropriate:
- 2 (1) issue a warning to the service; or
- 3 (2) suspend or revoke the certificate of authority
- 4 issued to the service.
- 5 (b) If, after a hearing, the commission [commissioner]
- 6 determines that a career counseling service has violated this
- 7 chapter, the executive director [commissioner] may award the
- 8 complainant an amount equal to the amount of the fee charged by the
- 9 service.
- 10 SECTION 7.009. Section 2502.255, Occupations Code, is
- 11 amended to read as follows:
- 12 Sec. 2502.255. REISSUANCE OF CERTIFICATE AFTER REVOCATION.
- 13 If the commission [commissioner] revokes the certificate of
- 14 authority of a career counseling service under Section 2502.254,
- 15 the service and any owner of that service may not apply for a new
- 16 certificate until after the third anniversary of the date the
- 17 certificate was revoked.
- 18 SECTION 7.010. Sections 2502.057 and 2502.101, Occupations
- 19 Code, are repealed.
- 20 ARTICLE 8. COMBATIVE SPORTS
- 21 SECTION 8.001. Section 2052.002, Occupations Code, is
- amended by amending Subdivision (4) and adding Subdivision (8-a) to
- 23 read as follows:
- 24 (4) "Commission" ["Commissioner"] means the <u>Texas</u>
- 25 Commission of Licensing and Regulation [commissioner of licensing
- 26 and regulation or the commissioner's designated representative].
- 27 <u>(8-a) "Executive director</u>" means the executive

- 1 <u>director of the department.</u>
- 2 SECTION 8.002. Subchapter A, Chapter 2052, Occupations
- 3 Code, is amended by adding Section 2052.003 to read as follows:
- 4 Sec. 2052.003. APPLICABILITY OF OTHER LAW. Section 51.401
- 5 does not apply to this chapter.
- 6 SECTION 8.003. The heading to Subchapter B, Chapter 2052,
- 7 Occupations Code, is amended to read as follows:
- 8 SUBCHAPTER B. POWERS AND DUTIES [OF DEPARTMENT AND COMMISSIONER]
- 9 SECTION 8.004. Section 2052.052, Occupations Code, is
- 10 amended to read as follows:
- 11 Sec. 2052.052. RULES. (a) The commission [commissioner]
- 12 shall adopt reasonable and necessary rules to administer this
- 13 chapter.
- 14 (b) The commission [commissioner] may adopt rules:
- 15 (1) governing professional kickboxing contests and
- 16 exhibitions; and
- 17 (2) establishing reasonable qualifications for an
- 18 applicant seeking a license from the department under this chapter.
- 19 SECTION 8.005. Section 2052.054, Occupations Code, is
- 20 amended by amending Subsection (a) and adding Subsection (c) to
- 21 read as follows:
- 22 (a) The commission [commissioner] may recognize, prepare,
- or administer continuing education programs for persons licensed
- 24 under this chapter.
- 25 (c) Section 51.405 does not apply to this chapter.
- SECTION 8.006. Section 2052.103, Occupations Code, is
- 27 amended to read as follows:

- 1 Sec. 2052.103. ELIMINATION TOURNAMENT BOXING PROMOTER
- 2 LICENSE APPLICATION REQUIREMENTS. (a) An applicant for an
- 3 elimination tournament boxing promoter's license under this
- 4 chapter must apply on a form furnished by the executive director
- 5 [commissioner].
- 6 (b) An application must be accompanied by an application fee
- 7 [of not more than \$1,000] and, if the applicant charges a fee for
- 8 admission to the elimination tournament or awards a trophy, prize,
- 9 including a prize of money, or other item of value of more than \$50
- 10 to a contestant winning the elimination tournament:
- 11 (1) a \$50,000 surety bond subject to approval by the
- 12 executive director [commissioner] and conditioned on the
- 13 applicant's payment of:
- 14 (A) the tax imposed under Section 2052.151; and
- 15 (B) a claim against the applicant as described by
- 16 Section 2052.109(a)(3); and
- 17 (2) proof of not less than \$10,000 accidental death or
- 18 injury insurance coverage for each contestant participating in the
- 19 elimination tournament.
- 20 SECTION 8.007. Section 2052.251, Occupations Code, is
- 21 amended to read as follows:
- Sec. 2052.251. BOXING GLOVES. A boxing event contestant,
- other than an elimination tournament contestant under Subchapter E,
- 24 shall wear eight-ounce boxing gloves, unless the commission
- 25 [commissioner] by rule requires or permits a contestant to wear
- 26 heavier gloves.
- 27 SECTION 8.008. The following laws are repealed:

- 1 (1) Section 2052.104, Occupations Code;
- 2 (2) Section 2052.112, Occupations Code; and
- 3 (3) Section 2052.301, Occupations Code.
- 4 ARTICLE 9. COURT INTERPRETERS
- 5 SECTION 9.001. Section 57.041, Government Code, is amended
- 6 by adding Subdivision (4-a) to read as follows:
- 7 (4-a) "Executive director" means the executive
- 8 director of the department.
- 9 SECTION 9.002. Sections 57.042(a), (c), (e), and (g),
- 10 Government Code, are amended to read as follows:
- 11 (a) The licensed court interpreter advisory board is
- 12 established as an advisory board to the commission [department].
- 13 The board is composed of nine members appointed by the presiding
- 14 officer of the commission, with the commission's approval
- 15 [governor]. Members of the board serve staggered six-year terms,
- 16 with the terms of one-third of the members expiring on February 1 of
- 17 each odd-numbered year.
- 18 (c) The presiding officer of the commission, with the
- 19 commission's approval, [At the initial meeting of the board and at
- 20 the first meeting after new members take office, the board] shall
- 21 select from the board [its] members a presiding officer of the board
- 22 to serve for two years.
- (e) The presiding officer of the commission, with the
- 24 commission's approval, [commissioner] may remove a member of the
- 25 board for inefficiency or neglect of duty in office. If a vacancy
- occurs on the board, the presiding officer of the commission, with
- 27 the commission's approval, [governor] shall appoint a member who

- 1 represents the same interests as the former member to serve the
- 2 unexpired term.
- 3 (g) The board shall advise the commission [commissioner]
- 4 regarding the adoption of rules and the design of a licensing
- 5 examination.
- 6 SECTION 9.003. Sections 57.043(a) and (b), Government Code,
- 7 are amended to read as follows:
- 8 (a) The <u>executive director</u> [commissioner] shall issue a
- 9 court interpreter license to an applicant who:
- 10 (1) can interpret for an individual who can hear but
- 11 who does not comprehend English or communicate in English;
- 12 (2) passes the appropriate examination prescribed by
- 13 the executive director [commissioner]; and
- 14 (3) possesses the other qualifications for the license
- 15 required by this subchapter or by rules adopted under this
- 16 subchapter.
- 17 (b) The commission [commissioner] shall[+
- 18 [(1)] adopt rules relating to licensing under this
- 19 subchapter[+] and the executive director shall
- $[\frac{(2)}{2}]$  prescribe all forms required under this
- 21 subchapter.
- SECTION 9.004. Section 57.048, Government Code, is amended
- 23 to read as follows:
- Sec. 57.048. SUSPENSION AND REVOCATION OF LICENSES;
- 25 REISSUANCE. (a) After a hearing, the commission [commissioner]
- 26 shall suspend or revoke a court interpreter license on a finding
- 27 that the individual:

- 1 (1) made a material misstatement in an application for
- 2 a license;
- 3 (2) [wilfully] disregarded or violated this
- 4 subchapter or a rule adopted under this subchapter; or
- 5 (3) [has been convicted of a felony or of any crime in
- 6 which an essential element of the offense is misstatement, fraud,
- 7 <del>or dishonesty; or</del>
- 8  $\left[\frac{(4)}{(4)}\right]$  engaged in dishonorable or unethical conduct
- 9 likely to deceive, defraud, or harm the public or a person for whom
- 10 the interpreter interprets.
- 11 (b) The executive director [commissioner] may reissue a
- 12 license to an individual whose license has been revoked if the
- 13 individual applies in writing to the department and shows good
- 14 cause to justify reissuance of the license.
- SECTION 9.005. Section 57.041(3), Government Code, is
- 16 repealed.
- 17 SECTION 9.006. The changes in law made by this article
- 18 applying to members of the licensed court interpreter advisory
- 19 board do not affect the entitlement of a member serving on the
- 20 board immediately before September 1, 2003, to continue to serve
- 21 and function as a member of the board for the remainder of the
- 22 member's term. Those changes in law apply only to a member appointed
- on or after September 1, 2003.
- 24 ARTICLE 10. CUSTOMER SERVICE INSPECTORS
- SECTION 10.001. Section 341.034(d), Health and Safety Code,
- 26 is amended to read as follows:
- 27 (d) A person who inspects homes and businesses to identify

- 1 potential or actual cross-connections or other contaminant hazards
- 2 in public water systems must hold a license issued by the Texas
- 3 Department of Licensing and Regulation [commission] under Chapter
- 4 51, Occupations [37, Water] Code, unless the person is licensed by
- 5 the Texas State Board of Plumbing Examiners as a plumbing inspector
- 6 or water supply protection specialist.
- 7 SECTION 10.002. (a) On November 1, 2003:
- 8 (1) all functions and activities relating to Section
- 9 341.034(d), Health and Safety Code, performed by the Texas
- 10 Commission on Environmental Quality immediately before that date
- 11 are transferred to the Texas Department of Licensing and
- 12 Regulation;
- 13 (2) a rule or form adopted by the Texas Commission on
- 14 Environmental Quality that relates to Section 341.034(d), Health
- 15 and Safety Code, is a rule or form of the Texas Department of
- 16 Licensing and Regulation and remains in effect until amended or
- 17 replaced by that department;
- 18 (3) a license or other document issued by the Texas
- 19 Commission on Environmental Quality that relates to Section
- 20 341.034(d), Health and Safety Code, is considered a license or
- 21 other document issued by the Texas Department of Licensing and
- 22 Regulation and remains in effect until amended or replaced by that
- 23 department;
- 24 (4) a reference in law or an administrative rule to the
- 25 Texas Commission on Environmental Quality that relates to Section
- 341.034(d), Health and Safety Code, means the Texas Department of
- 27 Licensing and Regulation;

- (5) a complaint, investigation, or other proceeding 1 2 before the Texas Commission on Environmental Quality that related to Section 341.034(d), Health and Safety Code, 3 4 transferred without change in status to the Texas Department of 5 Licensing and Regulation, and the Texas Department of Licensing and 6 Regulation assumes, as appropriate and without a change in status, 7 the position of the Texas Commission on Environmental Quality in an 8 action or proceeding to which the Texas Commission on Environmental 9 Quality is a party;
- 10 (6) all money, contracts, leases, property, and
  11 obligations of the Texas Commission on Environmental Quality
  12 related to Section 341.034(d), Health and Safety Code, are
  13 transferred to the Texas Department of Licensing and Regulation;
- (7) all property in the custody of the Texas
  Commission on Environmental Quality related to Section 341.034(d),
  Health and Safety Code, is transferred to the Texas Department of
  Licensing and Regulation; and
- 18 (8) the unexpended and unobligated balance of any 19 money appropriated by the legislature for the Texas Commission on 20 Environmental Quality related to Section 341.034(d), Health and 21 Safety Code, is transferred to the Texas Department of Licensing 22 and Regulation.
- 23 (b) Before November 1, 2003, the Texas Commission on 24 Environmental Quality may agree with the Texas Department of 25 Licensing and Regulation to transfer any property of the Texas 26 Commission on Environmental Quality to the Texas Department of 27 Licensing and Regulation to implement the transfer required by this

- 1 article.
- 2 (c) In the period beginning on the effective date of this
- 3 Act and ending on November 1, 2003, the Texas Commission on
- 4 Environmental Quality shall continue to perform functions and
- 5 activities under Section 341.034(d), Health and Safety Code, as if
- 6 that section had not been amended by this Act, and the former law is
- 7 continued in effect for that purpose.
- 8 ARTICLE 11. ELEVATORS, ESCALATORS, AND RELATED EQUIPMENT
- 9 SECTION 11.001. Section 754.011, Health and Safety Code, is
- 10 amended by adding Subdivision (6-a) to read as follows:
- 11 (6-a) "Executive director" means the executive
- 12 director of the department.
- SECTION 11.002. Sections 754.012(a)-(c), Health and Safety
- 14 Code, are amended to read as follows:
- 15 (a) The elevator advisory board is composed of nine members
- 16 appointed by the presiding officer of the commission, with the
- 17 commission's approval, [commissioner] as follows:
- 18 (1) a representative of the insurance industry or a
- 19 certified elevator inspector;
- 20 (2) a representative of elevator, escalator, and
- 21 related equipment constructors;
- 22 (3) a representative of owners or managers of
- 23 buildings having fewer than six stories and having an elevator, an
- 24 escalator, or related equipment;
- 25 (4) a representative of owners or managers of
- 26 buildings having six stories or more and having an elevator, an
- 27 escalator, or related equipment;

- 1 (5) a representative of independent elevator,
- 2 escalator, and related equipment maintenance companies;
- 3 (6) a representative of elevator, escalator, and
- 4 related equipment manufacturers;
- 5 (7) a representative of professional engineers or
- 6 architects;
- 7 (8) a public member; and
- 8 (9) a public member with a physical disability.
- 9 (b) Board members serve at the will of the <u>commission</u>
- 10 [commissioner].
- 11 (c) The presiding officer of the commission, with the
- 12 commission's approval, [commissioner] shall appoint a presiding
- officer of the board to serve for two years.
- 14 SECTION 11.003. Section 754.013, Health and Safety Code, is
- 15 amended to read as follows:
- Sec. 754.013. BOARD DUTIES. To protect public safety and
- 17 to identify and correct potential hazards, the board shall advise
- 18 the commission [commissioner] on:
- 19 (1) the adoption of appropriate standards for the
- 20 installation, alteration, operation, and inspection of elevators,
- 21 escalators, and related equipment;
- 22 (2) the status of elevators, escalators, and related
- 23 equipment used by the public in this state; and
- 24 (3) any other matter considered relevant by the
- 25 <u>commission</u> [<del>commissioner</del>].
- SECTION 11.004. The heading to Section 754.014, Health and
- 27 Safety Code, is amended to read as follows:

1 Sec. 754.014. STANDARDS ADOPTED BY <u>COMMISSION</u>

- 2 [COMMISSIONER].
- 3 SECTION 11.005. Sections 754.014(a)-(h) and (j), Health
- 4 and Safety Code, are amended to read as follows:
- 5 (a) The commission [commissioner] shall adopt standards for
- 6 the installation, alteration, operation, and inspection of
- 7 elevators, escalators, and related equipment used by the public in:
- 8 (1) buildings owned or operated by the state, a
- 9 state-owned institution or agency, or a political subdivision of
- 10 the state; and
- 11 (2) buildings that contain an elevator, an escalator,
- or related equipment that is open to the general public, including a
- 13 hotel, motel, apartment house, boardinghouse, church, office
- 14 building, shopping center, or other commercial establishment.
- (b) Standards adopted by the commission [commissioner] may
- 16 not contain requirements in addition to the requirements in the
- 17 ASME Code A17.1 or ASME Code A17.3.
- 18 (c) Standards adopted by the commission [commissioner] must
- 19 require elevators, escalators, and related equipment to comply with
- 20 the installation requirements of the following, whichever is the
- 21 least restrictive:
- 22 (1) the ASME Code A17.1 that was in effect on the date
- 23 of installation of the elevators, escalators, and related
- 24 equipment; or
- 25 (2) an applicable municipal ordinance governing the
- 26 installation of elevators, escalators, and related equipment that
- 27 was in effect on the date of installation.

- 1 (d) Standards adopted by the <u>commission</u> [commissioner] must 2 require elevators, escalators, and related equipment to comply with 3 the installation requirements of the 1994 ASME Code A17.3 that 4 contains minimum safety standards for all elevators, escalators, 5 and related equipment, regardless of the date of installation.
- 6 (e) On written request, the executive director 7 [commissioner] shall grant a delay for compliance with the 8 applicable ASME Code A17.1 or the 1994 ASME Code A17.3 until a 9 specified time if compliance is not readily achievable, as that phrase is defined in the Americans with Disabilities Act (42 U.S.C. 10 Section 12101 et seq.), or regulations adopted under that Act. 11

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- (f) written On request, the executive director [commissioner] shall grant a delay until September 1, 2005, for compliance with the requirements for door firefighter's service in the 1994 ASME Code A17.3 if those requirements were not included in the ASME Code A17.1 that was in effect on the date of installation of the elevator, escalator, or related equipment and that equipment was not subsequently installed by an owner of the elevator, escalator, or related equipment.
- 20 (g) The <u>executive director</u> [commissioner] may grant a
  21 waiver of compliance with the applicable ASME Code A17.1 or the 1994
  22 ASME Code A17.3 if the <u>executive director</u> [commissioner] finds
  23 that:
- (1) the building in which the elevator, escalator, or related equipment is located is a qualified historic building or facility or the noncompliance is due to structural components of the building; and

- 1 (2) noncompliance will not constitute a significant
- 2 threat to passenger safety.
- 3 (h) The executive director [commissioner] may grant a
- 4 waiver of compliance with the firefighter's service provisions of
- 5 the ASME Code A17.1 or the 1994 ASME Code A17.3 in an elevator that
- 6 exclusively serves a vehicle parking garage in a building that:
- 7 (1) is used only for parking;
- 8 (2) is constructed of noncombustible materials; and
- 9 (3) is not greater than 75 feet in height.
- 10 (j) The <u>executive director</u> [<del>commissioner</del>] may charge a
- 11 reasonable fee as set by the commission for an application for
- 12 waiver or delay. One application for a waiver or delay may contain
- 13 all requests related to a particular building. A delay may not be
- 14 granted indefinitely but must be granted to a specified time.
- SECTION 11.006. Section 754.015, Health and Safety Code, is
- 16 amended to read as follows:
- Sec. 754.015. RULES. (a) The <u>commission</u> [<del>commissioner</del>] by
- 18 rule shall provide for:
- 19 (1) the inspection and certification once each
- 20 calendar year of elevators, escalators, and related equipment
- 21 covered by standards adopted under this subchapter;
- 22 (2) the enforcement of those standards;
- 23 (3) the certification of qualified persons as
- 24 inspectors for the purposes of this subchapter; and
- 25 (4) the form of the inspection report and certificate
- 26 of compliance.
- 27 (b) The commission [commissioner] by rule may not require

- 1 that:
- 2 (1) inspection be made more often than once per year of
- 3 elevators, escalators, and related equipment; or
- 4 (2) persons post a bond or furnish insurance as a
- 5 condition of certification[; and
- 6 [(3) inspection reports or certificates of compliance
- 7 be placed in locations other than one provided in Section
- $8 \frac{754.019(4)}{1}$
- 9 SECTION 11.007. Section 754.016, Health and Safety Code, is
- 10 amended to read as follows:
- 11 Sec. 754.016. INSPECTION REPORTS [REPORT] AND CERTIFICATES
- 12 [CERTIFICATE] OF COMPLIANCE. (a) Inspection reports [An
- 13 inspection report] and certificates [a certificate] of compliance
- 14 required under this subchapter must cover all elevators,
- 15 escalators, and related equipment in a building or structure
- 16 appurtenant to the building, including a parking facility, that are
- owned by the same person or persons. [There shall be only one
- 18 inspection report and one certificate of compliance for each
- 19 building.
- 20 (b) An inspector shall date and sign an inspection report
- 21 and shall issue the report to the building owner. The inspection
- 22 report shall be on forms designated by the executive director
- 23 [commissioner].
- (c) The executive director [commissioner] shall date and
- 25 sign a certificate of compliance and shall issue the certificate to
- 26 the building owner. The certificate of compliance shall state:
- 27 (1) that the elevators, escalators, and related

- 1 equipment have been inspected by a certified inspector and found by
- 2 the inspector to be in compliance, except for any delays or waivers
- 3 granted by the <a href="executive director"><u>executive director</u></a> [<u>commissioner</u>] and stated in the
- 4 certificate;
- 5 (2) the date of the last inspection and the due date
- 6 for the next inspection; and
- 7 (3) contact information at the department to report a
- 8 violation of this subchapter.
- 9 (d) The commission by rule shall:
- 10 (1) specify what information must be contained in a
- 11 <u>certificate of compliance;</u>
- 12 (2) describe the procedure by which a certificate of
- 13 compliance is issued;
- 14 (3) require that a certificate of compliance related
- to an elevator be posted in a publicly visible area of the building;
- 16 and
- 17 (4) determine what constitutes a "publicly visible
- 18 area" under Subdivision (3).
- 19 SECTION 11.008. Sections 754.017(b) and (c), Health and
- 20 Safety Code, are amended to read as follows:
- 21 (b) The <u>commission</u> [<del>commissioner</del>] may not by rule prohibit
- 22 an ASME-QEI-1 certified inspector who is registered with the
- 23 department from inspecting under this subchapter an elevator, an
- 24 escalator, or related equipment. A person assisting a certified
- inspector is not required to be ASME-QEI-1 certified.
- 26 (c) The executive director [commissioner] may charge a
- 27 [\$15] fee to certified inspectors for registering with the

- 1 department.
- 2 SECTION 11.009. Sections 754.019(a), (b), (d), and (e),
- 3 Health and Safety Code, are amended to read as follows:
- 4 (a) The owner of real property on which an elevator, an
- 5 escalator, or related equipment covered by this subchapter is
- 6 located shall:
- 7 (1) have the elevator, escalator, or related equipment
- 8 inspected by an ASME-QEI-1 certified inspector in accordance with
- 9 the commission's [commissioner's] rules;
- 10 (2) obtain <u>inspection reports</u> [an inspection report]
- 11 from the inspector evidencing that all elevators, escalators, and
- 12 related equipment in a building on the real property were inspected
- in accordance with this subchapter and rules adopted under this
- 14 subchapter;
- 15 (3) file with the <u>executive director</u> [commissioner] a
- 16 copy of each inspection report and a [\$20] filing fee for each
- 17 report, plus a fee [\$5] for each elevator, escalator, or related
- 18 equipment not later than the 60th day after the date on which an
- inspection is made under this subchapter;
- 20 (4) display the certificate of compliance:
- 21 (A) in a publicly visible area of the building,
- 22 as determined by commission rule under Section 754.016, [the
- 23 elevator mechanical room] if the certificate relates to an
- 24 elevator;
- 25 (B) in the escalator box if the certificate
- 26 relates to an escalator; or
- (C) in a place designated by the executive

- 1 director [commissioner] if the certificate relates to related
- 2 equipment; and
- 3 (5) display the inspection report at the locations
- 4 designated in Subdivision (4) until a certificate of compliance is
- 5 issued by the executive director [commissioner].
- 6 (b) When an inspection report is filed with the executive
- 7 director [commissioner], the owner shall submit to the executive
- 8 director [commissioner]:
- 9 (1) verification that any deficiencies in the
- 10 inspector's report have been remedied or that a bona fide contract
- 11 to remedy the deficiencies has been entered into; or
- 12 (2) any application for delay or waiver of an
- 13 applicable standard.
- 14 (d) For the purpose of determining timely filing under
- 15 Subsection (a)(3), an inspection report and fee are considered
- 16 filed on the date of mailing by United States mail if properly
- 17 addressed to the executive director [commissioner].
- 18 (e) If the inspection report and fee required by Subsection
- 19 (a)(3) are not timely filed, the <u>executive director</u> [<del>commissioner</del>]
- 20 may charge the owner of the real property on which the elevator,
- 21 escalator, or related equipment is located an additional [\$100] fee
- 22 for late filing.
- SECTION 11.010. Section 754.023, Health and Safety Code, is
- 24 amended to read as follows:
- Sec. 754.023. INVESTIGATION; LICENSE PROCEEDINGS;
- 26 INJUNCTION. (a) If there is good cause for the executive director
- 27 [commissioner] to believe that an elevator, an escalator, or

- 1 related equipment on real property is dangerous or that an accident
- 2 involving an elevator, an escalator, or related equipment occurred
- 3 on the property and serious bodily injury or property damage
- 4 resulted, the executive director [commissioner] may enter the
- 5 property during regular business hours after notice to the owner,
- 6 operator, or person in charge of the property to inspect the
- 7 elevator, escalator, or related equipment or investigate the
- 8 accident at no cost to the owner.
- 9 (b) The <u>executive director</u> [<del>commissioner</del>] may enter real
- 10 property during regular business hours after notice to the owner,
- operator, or person in charge of the property to verify, at no cost
- 12 to the owner, whether an inspection report or certificate of
- compliance has been displayed as required under Section 754.019(a).
- (c) The commission [commissioner] may deny, suspend, or
- 15 revoke the registration of any ASME-QEI-1 certified inspector for:
- 16 (1) obtaining registration with the executive
- 17 director [commissioner] by fraud or false representation;
- 18 (2) falsifying any inspection report submitted to the
- 19 executive director [commissioner]; or
- 20 (3) violating this subchapter or a rule adopted under
- 21 this subchapter.
- 22 (d) The executive director [commissioner] is entitled to
- 23 appropriate injunctive relief to prevent a violation or threatened
- 24 violation of this subchapter or a rule adopted under this
- 25 subchapter.
- 26 (e) The executive director [commissioner] may bring suit in
- 27 a district court in Travis County or in the county in which the

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- 1 violation or threatened violation occurs. If requested, the
- 2 attorney general shall represent the executive director
- 3 [commissioner] in the suit.
- 4 SECTION 11.011. Subchapter B, Chapter 754, Health and
- 5 Safety Code, is amended by adding Section 754.025 to read as
- 6 follows:
- 7 Sec. 754.025. APPLICABILITY OF OTHER LAW. Sections 51.401
- 8 and 51.404, Occupations Code, do not apply to this subchapter.
- 9 SECTION 11.012. The following laws are repealed:
- 10 (1) Section 754.011(5), Health and Safety Code; and
- 11 (2) Section 754.019(f), Health and Safety Code.
- 12 SECTION 11.013. Not later than March 1, 2004, the Texas
- 13 Commission of Licensing and Regulation shall adopt the rules
- 14 required by Sections 754.016 and 754.019(a), Health and Safety
- 15 Code, as amended by this article.
- SECTION 11.014. The changes in law made by this article apply
- only to an inspection report or certificate of compliance issued on
- or after the effective date of this Act. An inspection report or
- 19 certificate issued before the effective date of this Act is covered
- 20 by the law in effect when the report or certificate was issued and
- 21 is valid until the renewal date of that report or certificate under
- 22 the terms of the former law, and the former law is continued in
- 23 effect for that purpose. On renewal, an inspection report or
- 24 certificate is subject to Chapter 754, Health and Safety Code, as
- amended by this article.
- 26 SECTION 11.015. The changes in law made by this article
- 27 applying to members of the elevator advisory board do not affect

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- 1 the entitlement of a member serving on the board immediately before
- 2 September 1, 2003, to continue to serve and function as a member of
- 3 the board for the remainder of the member's term. Those changes in
- 4 law apply only to a member appointed on or after September 1, 2003.
- 5 ARTICLE 12. INDUSTRIALIZED HOUSING AND BUILDINGS
- 6 SECTION 12.001. Section 1202.001, Occupations Code, is
- 7 amended by amending Subdivision (2) and adding Subdivision (4-a) to
- 8 read as follows:
- 9 (2) "Construction site office building" means a
- 10 <u>commercial structure that is:</u>
- 11 (A) not open to the public; and
- 12 <u>(B) used as an office at a commercial site by a</u>
- 13 person constructing a building, road, bridge, utility, or other
- 14 infrastructure or improvement to real property ["Commissioner"
- 15 means the commissioner of licensing and regulation].
- 16 <u>(4-a) "Executive director" means the executive</u>
- 17 <u>director of the department.</u>
- 18 SECTION 12.002. Section 1202.003(a), Occupations Code, is
- 19 amended to read as follows:
- 20 (a) An industrialized building is a commercial structure
- 21 that is:
- (1) constructed in one or more modules or constructed
- using one or more modular components built at a location other than
- 24 the commercial [permanent] site; and
- 25 (2) designed to be used as a commercial building when
- the module or the modular component is transported to the permanent
- 27 site and erected or installed on a permanent foundation system.

- 1 SECTION 12.003. Section 1202.101, Occupations Code, is
- 2 amended to read as follows:
- 3 Sec. 1202.101. RULES; ORDERS. (a) The commission
- 4 [commissioner] shall adopt rules and issue orders as necessary to:
- 5 (1) ensure compliance with the purposes of this
- 6 chapter; and
- 7 (2) provide for uniform enforcement of this chapter.
- 8 (b) The commission [commissioner] shall adopt rules as
- 9 appropriate to implement the council's actions, decisions,
- 10 interpretations, and instructions.
- 11 SECTION 12.004. Section 1202.102, Occupations Code, is
- 12 amended to read as follows:
- 13 Sec. 1202.102. RULES PROVIDING FOR REGISTRATION AND
- 14 REGULATION. The commission [commissioner] by rule shall provide
- 15 for registration and regulation of manufacturers or builders of
- 16 industrialized housing or buildings.
- SECTION 12.005. Section 1202.104(a), Occupations Code, is
- 18 amended to read as follows:
- 19 (a) The commission shall set fees, in amounts sufficient to
- 20 cover the costs of the inspections described by this chapter and the
- 21 administration of this chapter, for:
- 22 (1) the registration of manufacturers or builders of
- 23 industrialized housing or buildings;
- 24 (2) the inspection of industrialized housing or
- 25 buildings [at the manufacturing facility]; and
- 26 (3) the issuance of decals or insignia required under
- 27 Section 1202.204 or 1202.206.

- 1 SECTION 12.006. Subchapter C, Chapter 1202, Occupations
- 2 Code, is amended by adding Section 1202.106 to read as follows:
- 3 Sec. 1202.106. APPLICABILITY OF OTHER LAW. Sections
- 4 51.401 and 51.404 do not apply to this chapter.
- 5 SECTION 12.007. Subchapter D, Chapter 1202, Occupations
- 6 Code, is amended by adding Section 1202.1535 to read as follows:
- 7 Sec. 1202.1535. EFFECT OF BUILDING CODE AMENDMENT. (a) An
- 8 industrialized building that bears an approved decal or insignia
- 9 indicating that the building complies with the mandatory building
- 10 codes and that has not been modified or altered is considered to be
- in compliance with a new mandatory building code adopted by the
- 12 council or an amendment to a code approved by the council under
- 13 <u>Section 1202.152 or 1202.153.</u>
- 14 (b) The owner of an industrialized building that bears an
- 15 approved decal or insignia indicating the building complies with
- 16 the mandatory building codes and that is modified or altered after
- 17 the date the council adopts a new mandatory building code or the
- council approves a building code amendment must ensure:
- 19 <u>(1) the entire building complies with the mandatory</u>
- 20 building code or building code amendment if the cost of the
- 21 modification or alteration to the building is at least 50 percent of
- 22 the value of the modules or modular components used in the
- 23 <u>construction of the building; or</u>
- 24 (2) the modified or altered portion of the building
- 25 complies with the mandatory building code or building code
- 26 amendment if the cost of the modification or alteration is less
- than 50 percent of the value of the modules or modular components.

- 1 SECTION 12.008. Section 1202.154, Occupations Code, is
- 2 amended to read as follows:
- 3 Sec. 1202.154. DESIGN REVIEW. To ensure compliance with
- 4 the mandatory building [construction] codes, the department or
- 5 approved design review agency shall review all designs, plans, and
- 6 specifications of industrialized housing and buildings in
- 7 accordance with council interpretations and instructions.
- 8 SECTION 12.009. Section 1202.156(b), Occupations Code, is
- 9 amended to read as follows:
- 10 (b) With reference to the standards and requirements of the
- 11 mandatory building [construction] codes, the council shall
- 12 determine, from an engineering performance standpoint, all
- 13 questions concerning:
- 14 (1) code equivalency; or
- 15 (2) alternative materials or methods of construction.
- SECTION 12.010. Section 1202.202, Occupations Code, is
- 17 amended to read as follows:
- 18 Sec. 1202.202. DEPARTMENT [INSPECTIONS. (a) To
- 19 ensure compliance with the mandatory building codes or approved
- 20 designs, plans, and specifications, the department shall inspect
- 21 the construction of industrialized housing and buildings [at the
- 22 manufacturing facility]. The <u>executive director</u> [commissioner]
- 23 may designate approved third-party inspectors to perform the
- inspections subject to the rules of the <u>commission</u> [<del>commissioner</del>].
- 25 (b) Local building officials may witness department
- 26 [in-plant] inspections to enable the local officials to make
- 27 recommendations on inspection procedures to the council.

- 1 SECTION 12.011. Section 1202.203, Occupations Code, is
- 2 amended by amending Subsection (a) and adding Subsection (c) to
- 3 read as follows:
- 4 (a) A municipal building official shall inspect all
- 5 construction involving [at the permanent site of] industrialized
- 6 housing and buildings to be located in the municipality to ensure
- 7 compliance with designs, plans, and specifications, including
- 8 inspection of:
- 9 (1) the construction of the foundation system; and
- 10 (2) the erection and installation of the modules or
- 11 modular components on the [permanent] foundation.
- 12 (c) An inspection under Subsection (a) shall be conducted:
- 13 <u>(1) at the permanent site, if the inspection is of</u>
- industrialized housing; and
- 15 (2) at the commercial site, if the inspection is of
- 16 <u>industrialized buildings.</u>
- SECTION 12.012. Section 1202.204, Occupations Code, is
- 18 amended to read as follows:
- 19 Sec. 1202.204. RULES PROVIDING FOR DECALS OR INSIGNIA. (a)
- 20 The commission [commissioner] by rule shall provide for the
- 21 placement of decals or insignia on each transportable modular
- 22 section or modular component to indicate compliance with the
- 23 mandatory <u>building</u> [construction] codes.
- 24 (b) The commission by rule shall exempt a construction site
- office building from the requirements of this section.
- SECTION 12.013. Section 1202.252, Occupations Code, is
- 27 amended to read as follows:

- 1 Sec. 1202.252. MUNICIPAL REGULATION OF INDUSTRIALIZED
- 2 HOUSING AND BUILDINGS. (a) A municipality that regulates the
- 3 on-site construction or installation of industrialized housing and
- 4 buildings may:
- 5 (1) require and review, for compliance with mandatory
- 6 building [construction] codes, a complete set of designs, plans,
- 7 and specifications bearing the council's stamp of approval for each
- 8 installation of industrialized housing or buildings in the
- 9 municipality;
- 10 (2) require that all applicable local permits and
- 11 licenses be obtained before construction begins on a building site;
- 12 (3) require, in accordance with commission
- 13 [commissioner] rules, that all modules or modular components bear
- 14 an approved decal or insignia indicating inspection by the
- 15 department [at the manufacturing facility]; and
- 16 (4) establish procedures for the inspection of:
- 17 (A) the erection and installation of
- 18 industrialized housing or buildings to be located in the
- 19 municipality, to ensure compliance with mandatory building
- 20 [construction] codes and commission [commissioner] rules; and
- 21 (B) all foundation and other on-site
- 22 construction, to ensure compliance with approved designs, plans,
- 23 and specifications.
- 24 (b) Procedures described by Subsection (a) (4) may require:
- 25 (1) before occupancy, a final inspection or test in
- 26 accordance with mandatory building [construction] codes; and
- 27 (2) correction of any deficiency identified by the

- 1 test or discovered in the final inspection.
- 2 SECTION 12.014. Section 1202.301(b), Occupations Code, is
- 3 amended to read as follows:
- 4 (b) A person may not construct, sell or offer to sell, lease
- 5 or offer to lease, or transport over a street or highway of this
- 6 state any industrialized housing or building, or modular section or
- 7 component of a modular section, in violation of this chapter or a
- 8 rule of the commission or order of the commission or executive
- 9 <u>director</u> [<del>commissioner</del>].
- SECTION 12.015. Section 1202.302, Occupations Code, is
- 11 amended to read as follows:
- 12 Sec. 1202.302. DENIAL OF CERTIFICATE; DISCIPLINARY ACTION.
- 13 In addition to imposing sanctions allowed under Section 51.353, the
- 14 commission [The commissioner] may deny, permanently revoke, or
- 15 suspend for a definite period and specified location or geographic
- area a certificate of registration if the commission [commissioner]
- 17 finds that the applicant or registrant:
- 18 (1) provided false information on an application or
- other document filed with the department;
- 20 (2) failed to pay a fee or file a report required by
- 21 the department for the administration or enforcement of this
- 22 chapter;
- 23 (3) engaged in a false, misleading, or deceptive act
- or practice as described by Subchapter E, Chapter 17, Business &
- 25 Commerce Code; or
- 26 (4) violated:
- 27 (A) this chapter;

- 1 (B) a rule adopted by the commission or order
- 2 issued by the commission or the executive director [commissioner]
- 3 under this chapter; or
- 4 (C) a decision, action, or interpretation of the
- 5 council.
- 6 SECTION 12.016. Section 1202.351(b), Occupations Code, is
- 7 amended to read as follows:
- 8 (b) A person commits an offense if the person [knowingly and
- 9 wilfully | violates this chapter or a published rule of the
- 10 <u>commission</u> or order of the <u>commission</u> or the executive director
- 11 [commissioner].
- 12 SECTION 12.017. The following laws are repealed:
- 13 (1) Section 1202.001(2), Occupations Code; and
- 14 (2) Section 1202.103, Occupations Code.
- 15 ARTICLE 13. IRRIGATORS
- SECTION 13.001. Section 1903.001, Occupations Code, is
- amended by amending Subdivisions (1) and (3) and adding Subdivision
- 18 (2-a) to read as follows:
- 19 (1) "Commission" means the Texas [Natural Resource
- 20 Conservation Commission of Licensing and Regulation.
- 21 (2-a) "Department" means the Texas Department of
- 22 Licensing and Regulation.
- 23 (3) "Executive director" means the executive director
- of the <u>department</u> [commission].
- 25 SECTION 13.002. Section 1903.151(a), Occupations Code, is
- 26 amended to read as follows:
- 27 (a) The Texas Irrigators Advisory Council consists of nine

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- 1 members appointed by the  $\underline{presiding\ officer\ of\ the}\ commission$ , with
- 2 the commission's approval, as follows:
- 3 (1) six members who are irrigators, residents of this
- 4 state, experienced in the irrigation business, and familiar with
- 5 irrigation methods and techniques; and
- 6 (2) three public members.
- 7 SECTION 13.003. Section 1903.155, Occupations Code, is
- 8 amended to read as follows:
- 9 Sec. 1903.155. PRESIDING OFFICER. The presiding officer of
- 10 the commission, with the commission's approval, [council] shall
- 11 appoint a council member to serve for two years as [elect a]
- 12 presiding officer of the council [by a majority vote at the first
- 13 meeting each fiscal year].

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- 14 SECTION 13.004. The following laws are repealed:
- 15 (1) Section 1903.052, Occupations Code;
  - (2) Section 1903.055, Occupations Code;
- 17 (3) Subchapter C, Chapter 1903, Occupations Code;
- 18 (4) Subchapter E, Chapter 1903, Occupations Code;
- 19 (5) Section 1903.255, Occupations Code;
- 20 (6) Section 1903.304, Occupations Code;
- 21 (7) Section 1903.351, Occupations Code;
- 22 (8) Section 1903.352, Occupations Code; and
- 23 (9) Sections 1903.353(b) and (c), Occupations Code.
- 24 SECTION 13.005. (a) On November 1, 2003:
- 25 (1) all functions and activities relating to Chapter
- 26 1903, Occupations Code, performed by the Texas Commission on
- 27 Environmental Quality immediately before that date are transferred

- 1 to the Texas Department of Licensing and Regulation;
- 2 (2) a rule or form adopted by the Texas Commission on
- 3 Environmental Quality that relates to Chapter 1903, Occupations
- 4 Code, is a rule or form of the Texas Department of Licensing and
- 5 Regulation and remains in effect until amended or replaced by that
- 6 department;
- 7 (3) a license or other document issued by the Texas
- 8 Commission on Environmental Quality that relates to Chapter 1903,
- 9 Occupations Code, is considered a license or other document issued
- 10 by the Texas Department of Licensing and Regulation and remains in
- 11 effect until amended or replaced by that department;
- 12 (4) a reference in law or an administrative rule to the
- 13 Texas Commission on Environmental Quality that relates to Chapter
- 14 1903, Occupations Code, means the Texas Department of Licensing and
- 15 Regulation;
- 16 (5) a complaint, investigation, or other proceeding
- 17 before the Texas Commission on Environmental Quality that is
- 18 related to Chapter 1903, Occupations Code, is transferred without
- 19 change in status to the Texas Department of Licensing and
- 20 Regulation, and the Texas Department of Licensing and Regulation
- 21 assumes, as appropriate and without a change in status, the
- 22 position of the Texas Commission on Environmental Quality in an
- 23 action or proceeding to which the Texas Commission on Environmental
- 24 Quality is a party;
- 25 (6) all money, contracts, leases, property, and
- 26 obligations of the Texas Commission on Environmental Quality
- 27 related to Chapter 1903, Occupations Code, are transferred to the

- 1 Texas Department of Licensing and Regulation;
- 2 (7) all property in the custody of the Texas
- 3 Commission on Environmental Quality related to Chapter 1903,
- 4 Occupations Code, is transferred to the Texas Department of
- 5 Licensing and Regulation; and
- 6 (8) the unexpended and unobligated balance of any
- 7 money appropriated by the legislature for the Texas Commission on
- 8 Environmental Quality related to Chapter 1903, Occupations Code, is
- 9 transferred to the Texas Department of Licensing and Regulation.
- 10 (b) Before November 1, 2003, the Texas Commission on
- 11 Environmental Quality may agree with the Texas Department of
- 12 Licensing and Regulation to transfer any property of the Texas
- 13 Commission on Environmental Quality to the Texas Department of
- 14 Licensing and Regulation to implement the transfer required by this
- 15 article.
- 16 (c) In the period beginning on the effective date of this
- 17 Act and ending on November 1, 2003, the Texas Commission on
- 18 Environmental Quality shall continue to perform functions and
- 19 activities under Chapter 1903, Occupations Code, as if that chapter
- 20 had not been amended by this Act, and the former law is continued in
- 21 effect for that purpose.
- 22 ARTICLE 14. PERSONNEL EMPLOYMENT SERVICES
- SECTION 14.001. Section 2501.001, Occupations Code, is
- 24 amended by amending Subdivision (2) and adding Subdivisions (3-a)
- 25 and (4-a) to read as follows:
- 26 (2) "Commission" ["Commissioner"] means the Texas
- 27 Commission of Licensing and Regulation [commissioner of licensing

- 1 and regulation].
- 2 (3-a) "Department" means the Texas Department of
- 3 Licensing and Regulation.
- 4 (4-a) "Executive director" means the executive
- 5 director of the department.
- 6 SECTION 14.002. Section 2501.152, Occupations Code, is
- 7 amended to read as follows:
- 8 Sec. 2501.152. COMPLAINT AND INVESTIGATION. (a) A person
- 9 [by sworn affidavit] may file with the executive director
- 10 [commissioner] a complaint alleging a violation of Section
- 11 2501.102.
- 12 (b) On receipt of a complaint, the executive director
- 13 [commissioner] shall investigate the alleged violation and may:
- 14 (1) inspect any records relevant to the complaint; and
- 15 (2) subpoena those records and any necessary
- 16 witnesses.
- 17 SECTION 14.003. Sections 2501.153(a) and (c), Occupations
- 18 Code, are amended to read as follows:
- 19 (a) If the executive director [commissioner] determines as
- 20 a result of an investigation that a violation of Section 2501.102
- 21 may have occurred, the commission [commissioner] shall hold a
- 22 hearing [not later than the 45th day after the date the complaint
- 23 was filed under Section 2501.152].
- 24 (c) The commission [commissioner] shall render a decision
- on the alleged violation [not later than the eighth day] after [the
- 26 date] the hearing is concluded.
- SECTION 14.004. Section 2501.154, Occupations Code, is

- 1 amended to read as follows:
- Sec. 2501.154. SANCTIONS. (a) If, after a hearing, the
- 3 commission [commissioner] determines that a personnel service has
- 4 violated Section 2501.102, the commission [commissioner] may, as
- 5 appropriate:
- 6 (1) issue a warning to the personnel service; or
- 7 (2) suspend or revoke the certificate of authority
- 8 issued to the personnel service.
- 9 (b) If, after a hearing, the <u>commission</u> [<del>commissioner</del>]
- determines that a personnel service has violated Section 2501.102,
- 11 the commission [commissioner] may award the complainant an amount
- 12 equal to the amount of the fee charged by the personnel service.
- 13 SECTION 14.005. Sections 2501.058 and 2501.155,
- 14 Occupations Code, are repealed.
- 15 ARTICLE 15. PROPERTY TAX CONSULTANTS
- 16 SECTION 15.001. Section 1152.001, Occupations Code, is
- amended by adding Subdivision (3-a) to read as follows:
- 18 (3-a) "Executive director" means the executive
- 19 director of the department.
- SECTION 15.002. The heading to Subchapter B, Chapter 1152,
- 21 Occupations Code, is amended to read as follows:
- 22 SUBCHAPTER B. DUTIES OF COMMISSION, EXECUTIVE DIRECTOR,
- [COMMISSIONER] AND DEPARTMENT
- SECTION 15.003. Section 1152.051, Occupations Code, is
- 25 amended to read as follows:
- Sec. 1152.051. STANDARDS OF CONDUCT FOR REGISTRANTS. The
- 27 commission [commissioner] by rule shall establish standards of

- 1 practice, conduct, and ethics for registrants.
- 2 SECTION 15.004. Sections 1152.102(a) and (b), Occupations
- 3 Code, are amended to read as follows:
- 4 (a) The council is composed of six members appointed by the
- 5 presiding officer of the commission, with the commission's
- 6 approval.
- 7 (b) The <u>presiding officer of the</u> commission may appoint not
- 8 more than two members who are qualified for an exemption under
- 9 Section 1152.002(a)(3).
- SECTION 15.005. Section 1152.104(b), Occupations Code, is
- 11 amended to read as follows:
- 12 (b) If a vacancy occurs during a member's term, the
- 13 presiding officer of the commission, with the commission's
- 14 approval, [commissioner] shall appoint to fill the unexpired part
- 15 of the term a replacement who meets the qualifications of the
- 16 vacated office.
- 17 SECTION 15.006. Section 1152.105, Occupations Code, is
- 18 amended to read as follows:
- 19 Sec. 1152.105. PRESIDING OFFICER. The presiding officer of
- 20 the commission, with the commission's approval, [Before March 1 of
- 21 each year, the council shall appoint [elect] a member of the
- 22 council to serve as presiding officer of the council for two years
- 23 [until the last day of February of the following year].
- SECTION 15.007. Section 1152.108, Occupations Code, is
- 25 amended to read as follows:
- Sec. 1152.108. COUNCIL POWERS. The council shall:
- 27 (1) recommend to the commission [commissioner]

- 1 standards of practice, conduct, and ethics for registrants to be
- 2 adopted under this chapter;
- 3 (2) recommend to the commission amounts for the fees
- 4 it may set under this chapter;
- 5 (3) recommend to the commission [commissioner]
- 6 contents for the senior property tax consultant registration
- 7 examination and standards of acceptable performance;
- 8 (4) assist and advise the commission [commissioner] in
- 9 recognizing continuing education programs and educational courses
- 10 for registrants; and
- 11 (5) advise the commission [commissioner] in
- 12 establishing educational requirements for initial applicants.
- SECTION 15.008. Section 1152.155(a), Occupations Code, is
- 14 amended to read as follows:
- 15 (a) To be eligible for registration, an applicant must:
- 16 (1) be at least 18 years of age;
- 17 (2) hold a high school diploma or its equivalent;
- 18 (3) pay the fees required by the commission;
- 19 (4) have a place of business in this state or designate
- 20 a resident of this state as the applicant's agent for service of
- 21 process; and
- 22 (5) meet any additional qualifications required by
- this chapter or by the <a href="commission">commission</a> [commissioner] under this chapter
- or Chapter 51.
- 25 SECTION 15.009. Section 1152.160, Occupations Code, is
- 26 amended to read as follows:
- 27 Sec. 1152.160. SENIOR PROPERTY TAX CONSULTANT REGISTRATION

- 1 EXAMINATION. (a) The <u>executive director</u> [<del>commissioner</del>] shall:
- 2 (1) adopt an examination for registration as a senior
- 3 property tax consultant; and
- 4 (2) establish the standards for passing the
- 5 examination.
- 6 (b) The department shall offer the examination at times and
- 7 places designated by the executive director [commissioner].
- 8 (c) To be eligible to take the examination, an applicant
- 9 must pay to the department an examination fee. [The commissioner by
- 10 rule may establish conditions for refunding the examination fee to
- 11 an applicant who does not take the examination.
- 12 (d) The examination must:
- 13 (1) test the applicant's knowledge of:
- 14 (A) property taxation;
- 15 (B) the property tax system;
- 16 (C) property tax administration;
- 17 (D) ethical standards; and
- 18 (E) general principles of appraisal, accounting,
- 19 and law as they relate to property tax consulting services; and
- 20 (2) be graded according to rules adopted by the
- 21 <u>commission</u> [<del>commissioner</del>].
- SECTION 15.010. Section 1152.201, Occupations Code, is
- 23 amended to read as follows:
- Sec. 1152.201. TERM OF CERTIFICATE OF REGISTRATION. Except
- 25 as otherwise provided by the commission, a certificate of
- 26 registration expires on the first [second] anniversary of the date
- 27 of issuance.

- 1 SECTION 15.011. Section 1152.202(a), Occupations Code, is
- 2 amended to read as follows:
- 3 (a) The executive director [commissioner] shall issue to an
- 4 eligible registrant a certificate of renewal of registration on the
- 5 timely receipt of the required renewal fee. [The certificate
- 6 expires on the second anniversary of the date of issuance.
- 7 SECTION 15.012. Section 1152.204, Occupations Code, is
- 8 amended to read as follows:
- 9 Sec. 1152.204. RECOGNITION OF EDUCATIONAL PROGRAMS AND
- 10 COURSES. (a) The <u>commission</u> [<del>commissioner</del>] by rule shall
- 11 recognize appropriate continuing education programs for
- 12 registrants.
- 13 (b) The <u>commission</u> [<del>commissioner</del>] shall recognize a
- 14 continuing education course, including a course on the legal issues
- and law related to property tax consulting services, that is:
- 16 (1) approved by the Texas Real Estate Commission or
- 17 the Texas Appraiser Licensing and Certification Board; and
- 18 (2) completed by a registrant who also holds:
- 19 (A) an active real estate broker license or an
- 20 active real estate salesperson license under Chapter 1101; or
- 21 (B) an active real estate appraiser license or
- 22 certificate under Chapter 1103.
- 23 (c) The <u>commission</u> [<del>commissioner</del>] may recognize an
- 24 educational program or course:
- 25 (1) related to property tax consulting services; and
- 26 (2) offered or sponsored by a public provider or a
- 27 recognized private provider, including:

- 1 (A) the comptroller; 2 (B) the State Bar of Texas; 3 (C) the Texas Real Estate Commission; an institution of higher education that meets 4 (D) 5 program and accreditation standards comparable to those for public institutions of higher education as determined by the Texas Higher 6 Education Coordinating Board; or 7 8 a nonprofit and voluntary trade association, 9 institute, or organization: 10 (i) whose membership consists primarily of 11 persons who represent property owners in property tax or transactional tax matters; 12 that written 13 (ii) has experience 14 examination requirements for membership or for granting 15 professional designation to its members; and subscribes (iii) that to 16 code of 17 professional conduct or ethics. The commission [commissioner] may recognize a private 18 provider of an educational program or course if the provider: 19 applies to the department on a printed form 20 (1)
- 24 (B) an educational provider's fee.

(2)

21

22

23

(e) The department shall refund the educational provider's fee if the <u>commission</u> [<del>commissioner</del>] does not recognize the provider's educational program or course.

prescribed by the <a href="executive director"><u>executive director</u></a> [<a href="executive director"><u>executive director</u></a>]; and

pays in the amounts set by the commission:

a nonrefundable application fee; and

- 1 SECTION 15.013. Section 1152.251, Occupations Code, is
- 2 amended to read as follows:
- 3 Sec. 1152.251. DISCIPLINARY POWERS OF COMMISSION
- 4 [COMMISSIONER]. After a hearing, the commission [commissioner] may
- 5 deny a certificate of registration and may impose an administrative
- 6 sanction or penalty and seek injunctive relief and a civil penalty
- 7 against a registrant as provided by Chapter 51 for:
- 8 (1) a violation of this chapter or a rule applicable to
- 9 the registrant adopted by the commission [commissioner] under this
- 10 chapter;
- 11 (2) gross incompetency in the performance of property
- 12 tax consulting services;
- 13 (3) dishonesty or fraud committed while performing
- 14 property tax consulting services; or
- 15 (4) a violation of the standards of ethics adopted by
- 16 the commission [commissioner].
- 17 SECTION 15.014. The following laws are repealed:
- 18 (1) Section 1152.001(2), Occupations Code;
- 19 (2) Section 1152.161, Occupations Code;
- 20 (3) Section 1152.163, Occupations Code;
- 21 (4) Sections 1152.202(b) and (c), Occupations Code;
- 22 and
- 23 (5) Effective March 1, 2004, Section 1152.203,
- 24 Occupations Code.
- 25 SECTION 15.015. The change in law made by this article to
- 26 Section 1152.201, Occupations Code, applies only to a certificate
- of registration issued or renewed on or after the effective date of

- 1 this Act. A certificate of registration issued or renewed before
- 2 the effective date of this Act is governed by that section as it
- 3 existed immediately before the effective date of this Act, and that
- 4 law is continued in effect for that purpose.
- 5 SECTION 15.016. The changes in law made by this article
- 6 applying to members of the Property Tax Consultants Advisory
- 7 Council do not affect the entitlement of a member serving on the
- 8 council immediately before September 1, 2003, to continue to serve
- 9 and function as a member of the council for the remainder of the
- 10 member's term. Those changes in law apply only to a member appointed
- on or after September 1, 2003.
- 12 ARTICLE 16. SERVICE CONTRACT PROVIDERS
- SECTION 16.001. Section 1304.002, Occupations Code, is
- 14 amended by adding Subdivision (5-a) to read as follows:
- 15 <u>(5-a) "Executive director" means the executive</u>
- 16 director of the department.
- SECTION 16.002. Section 1304.051, Occupations Code, is
- 18 amended to read as follows:
- 19 Sec. 1304.051. SERVICE CONTRACT PROVIDERS ADVISORY BOARD.
- 20 (a) The Service Contract Providers Advisory Board consists of six
- 21 members appointed by the presiding officer of the commission, with
- 22 the commission's approval, [commissioner] and one ex officio
- 23 nonvoting member.
- 24 (b) Of the appointed members:
- 25 (1) two must be officers, directors, or employees of a
- 26 provider of service contracts that have been approved by the
- 27 executive director [commissioner];

- 1 (2) two must be officers, directors, or employees of a
- 2 retail outlet or other entity in this state that provides to
- 3 consumers service contracts approved by the <u>executive director</u>
- 4 [commissioner] for sale to consumers;
- 5 (3) one must be an officer, director, or employee of an
- 6 entity authorized by the Texas Department of Insurance to sell
- 7 reimbursement insurance policies; and
- 8 (4) one must be a resident of this state who holds, as
- 9 a consumer, a service contract that is in force in this state on the
- 10 date of the member's appointment and was issued by a provider
- 11 registered under this chapter.
- 12 (c) The executive director [commissioner] or the executive
- 13 director's [commissioner's] designee serves as an ex officio
- 14 nonvoting member of the advisory board.
- SECTION 16.003. Section 1304.052(a), Occupations Code, is
- 16 amended to read as follows:
- 17 (a) The advisory board shall advise the commission
- 18 [commissioner] in adopting rules and in administering and enforcing
- 19 this chapter.
- SECTION 16.004. Section 1304.053(b), Occupations Code, is
- 21 amended to read as follows:
- (b) If a vacancy occurs during an appointed member's term,
- 23 the <u>presiding officer of the commission</u> [commissioner] shall fill
- 24 the vacancy for the remainder of the unexpired term with a person
- 25 who represents the same interests as the predecessor.
- SECTION 16.005. Section 1304.054, Occupations Code, is
- 27 amended to read as follows:

- 1 Sec. 1304.054. PRESIDING OFFICER. The presiding officer of
- 2 the commission [commissioner] shall designate one member of the
- 3 advisory board to serve as presiding officer of the board for two
- 4 years.
- 5 SECTION 16.006. Sections 1304.103(a) and (b), Occupations
- 6 Code, are amended to read as follows:
- 7 (a) The <u>executive director</u> [<del>commissioner</del>] shall develop a
- 8 tiered schedule of annual registration fees under which a
- 9 provider's registration fee is based on the number of service
- 10 contracts the provider sold in this state during the preceding
- 11 12-month period.
- 12 (b) The commission shall set the amounts of the fees to
- 13 cover the costs of administering this chapter. [The maximum fee may
- 14 not exceed \$2,000.
- SECTION 16.007. Subchapter C, Chapter 1304, Occupations
- 16 Code, is amended by adding Section 1304.105 to read as follows:
- 17 Sec. 1304.105. RENEWAL. The commission shall adopt rules
- 18 regarding the renewal of a registration issued under this chapter.
- 19 SECTION 16.008. Sections 1304.151(a)-(c) and (e),
- 20 Occupations Code, are amended to read as follows:
- 21 (a) To ensure the faithful performance of a provider's
- 22 obligations to its service contract holders, each provider must:
- 23 (1) insure the provider's service contracts under a
- 24 reimbursement insurance policy issued by an insurer authorized to
- 25 transact insurance in this state or by a surplus lines insurer
- 26 eligible to place coverage in this state under Chapter 981 [Article
- 27  $\frac{1.14-2}{}$ ], Insurance Code;

- (2) maintain a funded reserve account covering the provider's obligations under its service contracts that are issued and outstanding in this state and place in trust with the <u>executive</u> director [commissioner] a financial security deposit consisting of:
- 6 (A) a surety bond issued by an authorized surety;
- 7 (B) securities of the type eligible for deposit
- 8 by an authorized insurer in this state;
- 9 (C) a statutory deposit of cash or cash
- 10 equivalents;
- 11 (D) a letter of credit issued by a qualified
- 12 financial institution; or
- 13 (E) another form of security prescribed by rules
- 14 adopted by the commission [commissioner]; or
- 15 (3) maintain, or have a parent company that maintains,
- 16 a net worth or stockholders' equity of at least \$100 million.
- 17 (b) If the provider ensures its obligations under
- 18 Subsection (a)(2), the amount maintained in the reserve account may
- 19 not be less than an amount equal to 40 percent of the gross
- 20 consideration the provider received from consumers from the sale of
- 21 all service contracts issued and outstanding in this state, minus
- 22 any claims paid. The executive director [commissioner] may review
- 23 and examine the reserve account. The amount of the security deposit
- 24 may not be less than the greater of:
- 25 (1) \$25,000; or
- 26 (2) an amount equal to five percent of the gross
- 27 consideration the provider received from consumers from the sale of

- 1 all service contracts issued and outstanding in this state, minus
- 2 any claims paid.
- 3 (c) If the provider ensures its obligations under
- 4 Subsection (a)(3), the provider must give to the executive director
- 5 [commissioner] on request:
- 6 (1) a copy of the provider's or the provider's parent
- 7 company's most recent Form 10-K or Form 20-F filed with the
- 8 Securities and Exchange Commission within the preceding calendar
- 9 year; or
- 10 (2) if the provider or the provider's parent company
- does not file with the Securities and Exchange Commission, a copy of
- 12 the provider's or the provider's parent company's audited financial
- 13 statements showing a net worth of the provider or its parent company
- of at least \$100 million.
- 15 (e) The executive director [commissioner] may not require a
- 16 provider to meet any additional financial security requirement.
- SECTION 16.009. Section 1304.201(a), Occupations Code, is
- 18 amended to read as follows:
- 19 (a) On a finding that a ground for disciplinary action
- 20 exists under this chapter, the commission [commissioner] may impose
- 21 an administrative sanction, including an administrative penalty,
- 22 as provided by Chapter 51.
- 23 SECTION 16.010. The following laws are repealed:
- 24 (1) Section 1304.002(3), Occupations Code; and
- 25 (2) Section 1304.201(b), Occupations Code.
- 26 SECTION 16.011. The changes in law made by this article
- 27 applying to members of the Service Contract Providers Advisory

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- 1 Board do not affect the entitlement of a member serving on the
- 2 board immediately before September 1, 2003, to continue to serve
- 3 and function as a member of the board for the remainder of the
- 4 member's term. Those changes in law apply only to a member appointed
- 5 on or after September 1, 2003.
- 6 ARTICLE 17. STAFF LEASING SERVICES
- 7 SECTION 17.001. Section 91.001, Labor Code, is amended by
- 8 adding Subdivision (8-a) to read as follows:
- 9 (8-a) "Executive director" means the executive
- 10 <u>director of the department</u>.
- SECTION 17.002. Sections 91.002(a) and (b), Labor Code, are
- 12 amended to read as follows:
- 13 (a) The commission [commissioner] shall adopt rules as
- 14 necessary to administer this chapter.
- 15 (b) Each person who offers staff leasing services is subject
- 16 to this chapter and the rules adopted by the <u>commission</u>
- 17 [commissioner].
- 18 SECTION 17.003. Subchapter A, Chapter 91, Labor Code, is
- amended by adding Section 91.008 to read as follows:
- 20 Sec. 91.008. APPLICABILITY OF CONTINUING EDUCATION
- 21 LAW. Section 51.405, Occupations Code, does not apply to this
- 22 chapter.
- SECTION 17.004. Section 91.016(b), Labor Code, is amended
- 24 to read as follows:
- 25 (b) A license issued or renewed by the department under this
- 26 chapter is valid for one year [two years] from the date of the
- 27 issuance or renewal. The department shall renew a license on

- 1 receipt of a complete renewal application form and payment of the
- 2 license renewal fee.
- 3 SECTION 17.005. Section 91.017(a), Labor Code, is amended
- 4 to read as follows:
- 5 (a) Each applicant for an original or renewal staff leasing
- 6 services company license shall pay to the department before the
- 7 issuance of the license or license renewal a fee set by the
- 8 commission by rule [in an amount not to exceed \$6,000 for the
- 9 two-year license period].
- SECTION 17.006. Sections 91.018(b) and (d), Labor Code, are
- 11 amended to read as follows:
- 12 (b) A license holder may change the license holder's
- 13 licensed name at any time by notifying the department and paying a
- 14 fee for each change of name. The commission by rule shall set the
- 15 fee for a name change [in an amount not to exceed \$50]. A license
- 16 holder may change the license holder's name on renewal of the
- 17 license without the payment of the name change fee.
- 18 (d) A license holder may amend the name specified in its
- 19 license to add a trade name, trademark, service mark, or parent
- 20 company name. An amendment made under this subsection must comply
- 21 with the requirements imposed under Subsection (a). The department
- 22 may charge a fee [not to exceed \$50] for processing of such an
- 23 amendment.
- SECTION 17.007. Section 91.019(a), Labor Code, is amended
- 25 to read as follows:
- 26 (a) The commission [commissioner] by rule shall provide for
- 27 the issuance of a limited license to a person who seeks to offer

- 1 limited staff leasing services in this state.
- 2 SECTION 17.008. Section 91.020, Labor Code, is amended to
- 3 read as follows:
- 4 Sec. 91.020. GROUNDS FOR DISCIPLINARY ACTION.  $\left(\frac{a}{a}\right)$
- 5 department may take disciplinary action against a license holder on
- 6 any of the following grounds:
- 7 (1) [being convicted or having a controlling person of
- 8 the license holder who is convicted of:
- 9 [(Λ) bribery, fraud, or intentional or material
- 10 misrepresentation in obtaining, attempting to obtain, or renewing a
- 11 license;
- 12 [(B) a crime that relates to the operation of a
- 13 staff leasing service or the ability of the license holder or any
- 14 controlling person of the license holder to operate a staff leasing
- 15 service;
- 16 [(C) a crime that relates to the classification,
- 17 misclassification, or under-reporting of employees under Subtitle
- 18 A, Title 5;
- 19 [(D) a crime that relates to the establishment or
- 20 maintenance of a self-insurance program, whether health insurance,
- 21 workers' compensation insurance, or other insurance; or
- [(E) a crime that relates to fraud, deceit, or
- 23 misconduct in the operation of a staff leasing service;
- $[\frac{(2)}{2}]$  engaging in staff leasing services or offering
- 25 to engage in the provision of staff leasing services without a
- 26 license;
- (2)  $\left[\frac{3}{3}\right]$  transferring or attempting to transfer a

- license issued under this chapter;
- 2 (3) [<del>(4)</del>] violating this chapter or any order or rule
- 3 issued by the <u>executive director</u> [<u>department</u>] or <u>commission</u>
- 4 [commissioner] under this chapter;
- 5 (4)  $[\frac{(5)}{(5)}]$  failing after the 31st day after the date on
- 6 which a felony conviction of a controlling person is final to notify
- 7 the department in writing of the conviction;
- 8 (5) [<del>(6)</del>] failing to cooperate with an investigation,
- 9 examination, or audit of the license holder's records conducted by
- 10 the license holder's insurance company or the insurance company's
- 11 designee, as allowed by the insurance contract or as authorized by
- 12 law by the Texas Department of Insurance;
- 13  $\underline{(6)}$  [ $\frac{(7)}{(7)}$ ] failing after the 31st day after the
- 14 effective date of a change in ownership, principal business
- 15 address, or the address of accounts and records to notify the
- 16 department and the Texas Department of Insurance of the change;
- 17 (7) [(8)] failing to correct any tax filings or
- 18 payment deficiencies within a reasonable time as determined by the
- 19 executive director [commissioner];
- (8)  $[\frac{(9)}{}]$  refusing, after reasonable notice, to meet
- 21 reasonable health and safety requirements within the license
- 22 holder's control and made known to the license holder by a federal
- 23 or state agency;
- (9)  $\left[\frac{(10)}{(10)}\right]$  being delinquent in the payment of the
- 25 license holder's insurance premiums other than those subject to a
- 26 legitimate dispute;
- (10)  $\left[\frac{(11)}{(11)}\right]$  being delinquent in the payment of any

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- 1 employee benefit plan premiums or contributions other than those
- 2 subject to a legitimate dispute;
- 3 (11) (12) knowingly making a material
- 4 misrepresentation to an insurance company or to the department or
- 5 other governmental agency;
- 6 (12) [(13)] failing to maintain the net worth
- 7 requirements required under Section 91.014; or
- 8 (13)  $[\frac{(14)}{}]$  using staff leasing services to avert or
- 9 avoid an existing collective bargaining agreement.
- 10 [(b) For purposes of this section, "conviction" includes a
- 11 plea of nolo contendere or a finding of guilt, regardless of
- 12 adjudication.
- SECTION 17.009. Section 91.041(c), Labor Code, is amended
- 14 to read as follows:
- 15 (c) The <u>commission</u> [<del>commissioner</del>] by rule may require a
- license holder to file other reports that are reasonably necessary
- 17 for the implementation of this chapter.
- 18 SECTION 17.010. The following laws are repealed:
- 19 (1) Section 91.001(5), Labor Code; and
- 20 (2) Section 91.021, Labor Code.
- 21 SECTION 17.011. The change in law made by this article to
- 22 Section 91.016(b), Labor Code, applies only to a license issued or
- 23 renewed on or after January 1, 2004. A license issued or renewed
- 24 before January 1, 2004, is governed by that section as it existed
- 25 immediately before that date, and that law is continued in effect
- 26 for that purpose.
- 27 ARTICLE 18. TALENT AGENCIES

- C.S.S.B. No. 279
- 1 SECTION 18.001. Section 2105.001, Occupations Code, is
- 2 amended by amending Subdivision (2) and adding Subdivision (3-a) to
- 3 read as follows:
- 4 (2) "Commission" ["Commissioner"] means the <u>Texas</u>
- 5 Commission of Licensing and Regulation [commissioner of licensing
- 6 and regulation].
- 7 (3-a) "Executive director" means the executive
- 8 director of the department.
- 9 SECTION 18.002. Section 2105.002, Occupations Code, is
- 10 amended to read as follows:
- 11 Sec. 2105.002. POWERS AND DUTIES [OF DEPARTMENT]. (a) The
- 12 executive director [department] shall[+
- [(1)] prescribe application forms for original and
- 14 renewal certificates of registration.
- 15 (b) The commission shall: [+]
- (1)  $[\frac{(2)}{(2)}]$  set application and registration fees in
- 17 amounts that are reasonable and necessary to defray the costs of
- 18 administering this chapter; and
- (2)  $[\frac{3}{3}]$  adopt rules as necessary to implement this
- 20 chapter.
- 21 <u>(c)</u> [<del>(b)</del>] The <u>commission</u> [<del>department</del>] may[÷
- [(1)] adopt rules as necessary to administer the
- 23 registration program created under this chapter.
- 24 (d) The department may[; and
- 25  $\left[\frac{(2)}{2}\right]$  take other action as necessary to enforce this
- 26 chapter.
- 27 SECTION 18.003. Subchapter A, Chapter 2105, Occupations

- 1 Code, is amended by adding Section 2105.003 to read as follows:
- 2 Sec. 2105.003. APPLICABILITY OF OTHER LAW. Section 51.405
- 3 does not apply to this chapter.
- 4 SECTION 18.004. Section 2105.053, Occupations Code, is
- 5 amended to read as follows:
- 6 Sec. 2105.053. REGISTRATION FEE. The department may
- 7 charge a talent agency a reasonable fee [not to exceed \$100] to
- 8 cover the cost of filing a registration statement or an update of a
- 9 registration statement.
- 10 SECTION 18.005. Section 2105.104, Occupations Code, is
- 11 amended to read as follows:
- 12 Sec. 2105.104. AGENCY RECORDS. A certificate holder shall
- 13 maintain records relating to the operation of the talent agency as
- 14 required by commission [department] rule.
- SECTION 18.006. Section 2105.105(b), Occupations Code, is
- 16 amended to read as follows:
- 17 (b) Funds deposited under this section may be disbursed only
- as prescribed by commission [department] rule.
- 19 SECTION 18.007. The following laws are repealed:
- 20 (1) Sections 2105.055(b) and (c), Occupations Code;
- 21 (2) Sections 2105.056(a), (b), and (c), Occupations
- 22 Code; and
- 23 (3) Section 2105.252, Occupations Code.
- 24 ARTICLE 19. TEMPORARY COMMON WORKER EMPLOYERS
- SECTION 19.001. Section 92.002, Labor Code, is amended by
- 26 adding Subdivision (4-a) to read as follows:
- 27 (4-a) "Executive director" means the executive

- 1 <u>director of the department.</u>
- 2 SECTION 19.002. Subchapter A, Chapter 92, Labor Code, is
- 3 amended by adding Section 92.004 to read as follows:
- 4 Sec. 92.004. APPLICABILITY OF OTHER LAW. Section 51.405,
- 5 Occupations Code, does not apply to this chapter.
- 6 SECTION 19.003. Section 92.022(c), Labor Code, is amended
- 7 to read as follows:
- 8 (c) Information received by the commission [commissioner]
- 9 or department under this section is privileged and confidential and
- 10 is for the exclusive use of the <u>commission</u> [<del>commissioner</del>] or
- 11 department. The information may not be disclosed to any other
- 12 person except on the entry of a court order requiring disclosure or
- on the written consent of a person under investigation who is the
- 14 subject of the records.
- 15 SECTION 19.004. The following laws are repealed:
- 16 (1) Section 92.002(2), Labor Code; and
- 17 (2) Sections 92.015(b) and (c), Labor Code.
- 18 ARTICLE 20. TRANSPORTATION SERVICE PROVIDERS
- 19 SECTION 20.001. Section 2401.001(2), Occupations Code, is
- 20 amended to read as follows:
- 21 (2) "Department" means the [Texas] Department of
- 22 <u>Public Safety</u> [<u>Licensing and Regulation</u>].
- SECTION 20.002. The heading to Subchapter B, Chapter 2401,
- Occupations Code, is amended to read as follows:
- 25 SUBCHAPTER B. POWERS AND DUTIES [OF COMMISSION, COMMISSIONER, AND
- 26 DEPARTMENT]
- SECTION 20.003. Section 2401.052, Occupations Code, is

- 1 amended to read as follows:
- 2 Sec. 2401.052. EXAMINATION OR AUDIT. (a) To administer
- 3 this chapter, the department may:
- 4 (1) examine:
- 5 (A) a record maintained under Section 2401.152;
- 6 or
- 7 (B) a record or object the department determines
- 8 is necessary to conduct a complete examination; or
- 9 (2) question under oath any person who[+
- 10  $\left[\frac{(A)}{A}\right]$  is associated with the business of a
- 11 transportation service provider[+ or
- 12 [(B) claims the person was negatively affected by
- 13 a violation of this chapter committed by a transportation service
- 14 provider].
- 15 (b) The department may periodically audit the business
- 16 records of a transportation service provider [registered under this
- 17 chapter].
- 18 SECTION 20.004. Section 2401.251, Occupations Code, is
- 19 amended to read as follows:
- Sec. 2401.251. CIVIL PENALTY. A transportation service
- 21 provider who knowingly violates this chapter [or a rule adopted
- 22 under this chapter] is liable for a civil penalty of not less than
- \$100 or more than \$500 for each violation.
- SECTION 20.005. Section 2401.253, Occupations Code, is
- 25 amended to read as follows:
- Sec. 2401.253. AUTHORITY TO INVESTIGATE AND FILE COMPLAINT.
- 27 (a) The department [commissioner, with the assistance of the Texas

- 1 Department of Public Safety, may investigate a violation of this
- 2 chapter [or a rule adopted under this chapter].
- 3 (b) Any [The commissioner or any] law enforcement agency may
- 4 file a complaint with:
- 5 (1) the district attorney of Travis County; or
- 6 (2) the prosecuting attorney of the county in which a violation is alleged to have occurred.
- 8 SECTION 20.006. The following laws are repealed:
- 9 (1) Section 2401.001(1), Occupations Code;
- 10 (2) Section 2401.051, Occupations Code;
- 11 (3) Section 2401.053, Occupations Code;
- 12 (4) Section 2401.054, Occupations Code;
- 13 (5) Subchapter C, Chapter 2401, Occupations Code;
- 14 (6) Section 2401.151, Occupations Code; and
- 15 (7) Subchapter E, Chapter 2401, Occupations Code.
- 16 SECTION 20.007. (a) On November 1, 2003:
- 17 (1) all functions and activities relating to Chapter
- 18 2401, Occupations Code, performed by the Texas Department of
- 19 Licensing and Regulation immediately before that date are
- 20 transferred to the Department of Public Safety;
- 21 (2) a reference in law or an administrative rule to the
- 22 Texas Department of Licensing and Regulation that relates to
- 23 Chapter 2401, Occupations Code, means the Department of Public
- 24 Safety;
- 25 (3) a complaint, investigation, or other proceeding
- 26 before the Texas Department of Licensing and Regulation that is
- 27 related to Chapter 2401, Occupations Code, is transferred without

- 1 change in status to the Department of Public Safety, and the
- 2 Department of Public Safety assumes, as appropriate and without a
- 3 change in status, the position of the Texas Department of Licensing
- 4 and Regulation in an action or proceeding to which the Texas
- 5 Department of Licensing and Regulation is a party;
- 6 (4) all money, contracts, leases, property, and
- 7 obligations of the Texas Department of Licensing and Regulation
- 8 related to Chapter 2401, Occupations Code, are transferred to the
- 9 Department of Public Safety;
- 10 (5) all property in the custody of the Texas
- 11 Department of Licensing and Regulation related to Chapter 2401,
- 12 Occupations Code, is transferred to the Department of Public
- 13 Safety; and
- 14 (6) the unexpended and unobligated balance of any
- 15 money appropriated by the legislature for the Texas Department of
- 16 Licensing and Regulation related to Chapter 2401, Occupations Code,
- is transferred to the Department of Public Safety.
- 18 (b) An offense or other violation related to Chapter 2401,
- 19 Occupations Code, committed before the effective date of this Act
- 20 is covered by the law as it existed on the date on which the offense
- or other violation was committed, and the former law is continued in
- 22 effect for that purpose.
- (c) Before November 1, 2003, the Texas Department of
- 24 Licensing and Regulation may agree with the Department of Public
- 25 Safety to transfer any property of the Texas Department of
- 26 Licensing and Regulation to the Department of Public Safety to
- implement the transfer required by this article.

- 1 (d) In the period beginning on the effective date of this 2 Act and ending on November 1, 2003, the Texas Department of Licensing and Regulation shall continue to perform functions and 3 activities under Chapter 2401, Occupations Code, as if that chapter 4
- 5 had not been amended by this Act, and the former law is continued in
- effect for that purpose. 6
- ARTICLE 21. UNDERGROUND STORAGE TANK OPERATORS 7
- SECTION 21.001. Section 26.451, Water Code, is amended by 8 adding Subdivision (3-a) to read as follows: 9
- 10 (3-a) "Department" means the Texas Department of Licensing and Regulation. 11
- SECTION 21.002. Sections 26.452(a) and (b), Water Code, are 12 amended to read as follows: 13
- 14 A person who offers to undertake, represents that the person is able to undertake, or undertakes to install, repair, or 15 remove an underground storage tank must hold a registration issued 16 by the department [commission] under Chapter 51, Occupations Code 17 [37]. If the person is a partnership or joint venture, it need not 18 register in its own name if each partner or joint venture is 19 registered. 20
- 21 (b) An underground storage tank contractor must have an on-site supervisor who is licensed by the department [commission] 22 under Chapter 51, Occupations Code, [37] at the site at all times 23 24 during the critical junctures of the installation, repair, or 25 removal.
- SECTION 21.003. Section 26.456(a), Water Code, is amended 26 27 to read as follows:

- 1 (a) A person supervising the installation, repair, or
- 2 removal of an underground storage tank must hold a license issued by
- 3 the department [commission] under Chapter 51, Occupations Code
- 4 [37].
- 5 SECTION 21.004. (a) On November 1, 2003:
- 6 (1) all functions and activities relating to
- 7 Subchapter K, Chapter 26, Water Code, performed by the Texas
- 8 Commission on Environmental Quality immediately before that date
- 9 are transferred to the Texas Department of Licensing and
- 10 Regulation;
- 11 (2) a rule or form adopted by the Texas Commission on
- 12 Environmental Quality that relates to Subchapter K, Chapter 26,
- 13 Water Code, is a rule or form of the Texas Department of Licensing
- 14 and Regulation and remains in effect until amended or replaced by
- 15 that department;
- 16 (3) a license or other document issued by the Texas
- 17 Commission on Environmental Quality that relates to Subchapter K,
- 18 Chapter 26, Water Code, is considered a license or other document
- 19 issued by the Texas Department of Licensing and Regulation and
- 20 remains in effect until amended or replaced by that department;
- 21 (4) a reference in law or an administrative rule to the
- 22 Texas Commission on Environmental Quality that relates to
- 23 Subchapter K, Chapter 26, Water Code, means the Texas Department of
- 24 Licensing and Regulation;
- 25 (5) a complaint, investigation, or other proceeding
- 26 before the Texas Commission on Environmental Quality that is
- 27 related to Subchapter K, Chapter 26, Water Code, is transferred

- 1 without change in status to the Texas Department of Licensing and
- 2 Regulation, and the Texas Department of Licensing and Regulation
- 3 assumes, as appropriate and without a change in status, the
- 4 position of the Texas Commission on Environmental Quality in an
- 5 action or proceeding to which the Texas Commission on Environmental
- 6 Quality is a party;
- 7 (6) all money, contracts, leases, property, and
- 8 obligations of the Texas Commission on Environmental Quality
- 9 related to Subchapter K, Chapter 26, Water Code, are transferred to
- 10 the Texas Department of Licensing and Regulation;
- 11 (7) all property in the custody of the Texas
- 12 Commission on Environmental Quality related to Subchapter K,
- 13 Chapter 26, Water Code, is transferred to the Texas Department of
- 14 Licensing and Regulation; and
- 15 (8) the unexpended and unobligated balance of any
- 16 money appropriated by the legislature for the Texas Commission on
- 17 Environmental Quality related to Subchapter K, Chapter 26, Water
- 18 Code, is transferred to the Texas Department of Licensing and
- 19 Regulation.
- 20 (b) Before November 1, 2003, the Texas Commission on
- 21 Environmental Quality may agree with the Texas Department of
- 22 Licensing and Regulation to transfer any property of the Texas
- 23 Commission on Environmental Quality to the Texas Department of
- 24 Licensing and Regulation to implement the transfer required by this
- 25 article.
- 26 (c) In the period beginning on the effective date of this
- 27 Act and ending on November 1, 2003, the Texas Commission on

- 1 Environmental Quality shall continue to perform functions and
- 2 activities under Subchapter K, Chapter 26, Water Code, as if that
- 3 subchapter had not been amended by this Act, and the former law is
- 4 continued in effect for that purpose.
- 5 ARTICLE 22. VEHICLE PROTECTION PRODUCT WARRANTORS
- 6 SECTION 22.001. Section 2, Article 9035, Revised Statutes,
- 7 is amended by adding Subdivision (4-a) to read as follows:
- 8 (4-a) "Executive director" means the executive
- 9 <u>director of the department.</u>
- 10 SECTION 22.002. Article 9035, Revised Statutes, is amended
- 11 by adding Section 3A to read as follows:
- 12 Sec. 3A. APPLICABILITY OF OTHER LAW. Section 51.405,
- Occupations Code, does not apply to this article.
- 14 SECTION 22.003. Section 4, Article 9035, Revised Statutes,
- is amended to read as follows:
- 16 Sec. 4. POWERS AND DUTIES [OF COMMISSIONER]. (a) The
- 17 commission [commissioner] may adopt rules as necessary to implement
- 18 this article.
- 19 (b) The executive director [commissioner] may conduct
- 20 investigations of warrantors or other persons as reasonably
- 21 necessary to enforce this article and to protect consumers in this
- 22 state. On request of the executive director [commissioner], a
- 23 warrantor shall make the warrantor's records maintained under
- 24 Section 10 of this article regarding vehicle protection products
- 25 sold by the warrantor available to the department as necessary to
- 26 enable the department to reasonably determine compliance with this
- 27 article.

- SECTION 22.004. Sections 5(a)-(g), Article 9035, Revised
- 2 Statutes, are amended to read as follows:
- 3 (a) The Vehicle Protection Product Warrantor Advisory Board
- 4 is an advisory body to the <u>commission</u> [department]. The advisory
- 5 board shall advise[+
- 6 [\(\frac{(1)}{1}\)] the commission [\(\frac{\commissioner}{1}\)] on adopting
- 7 rules, [and] enforcing and administering this article, [+] and
- 8 [(2) the commission on] setting fees.
- 9 (b) The advisory board consists of six members appointed by
- 10 the presiding officer of the commission  $[{\color{red} {\tt commissioner}}]$  as follows:
- 11 (1) two members who are officers, directors, or
- 12 employees of a warrantor who has been approved or expects to be
- 13 approved by the department;
- 14 (2) two members who are officers, directors, or
- employees of a retail outlet or other entity located in this state
- that sells vehicle protection products and is approved or expected
- 17 to be approved by the department; and
- 18 (3) two members who are residents of this state and, at
- 19 the time of appointment, are consumers of vehicle protection
- 20 products issued by warrantors registered or expected to be
- 21 registered under this article.
- (c) Members of the advisory board serve staggered six-year
- terms, with the terms of two members expiring on February 1 of each
- 24 odd-numbered year. [The commissioner shall appoint the initial six
- 25 board members to terms of six years or less in order to create
- 26 staggered terms for the subsequent members of the advisory board.
- 27 (d) The presiding officer of the commission [commissioner]

- 1 shall designate one member of the advisory board to serve as
- 2 presiding officer of the board for two years.
- 3 (e) The executive director [commissioner] or the executive
- 4 <u>director's</u> [<del>commissioner's</del>] designee serves as an ex officio
- 5 nonvoting member of the advisory board.
- 6 (f) The presiding officer of the commission [commissioner]
- 7 shall fill any vacancy on the advisory board by appointing an
- 8 individual who meets the qualifications for the vacant advisory
- 9 board position to serve the remainder of the unexpired term.
- 10 (g) The advisory board shall meet at least every six months
- and may meet at other times at the call of the presiding officer of
- 12 the board or the presiding officer of the commission
- 13 [commissioner]. The advisory board shall meet at a location in this
- 14 state designated by the [advisory] board.
- 15 SECTION 22.005. Sections 6(c) and (d), Article 9035,
- 16 Revised Statutes, are amended to read as follows:
- 17 (c) Each registered warrantor shall pay an annual
- registration fee [not to exceed \$2,500] as set by the commission to
- 19 cover the costs of administering this article. The department
- 20 shall develop a tiered fee structure under which registration fees
- 21 are assessed on warrantors based on the number of vehicle
- 22 protection products sold within this state in the 12 months
- 23 preceding the date of registration. The information submitted to
- the department under this section regarding the number of vehicle
- 25 protection products sold by a warrantor may only be used by the
- 26 department in determining the tiered fee structure. Information
- 27 concerning the number of vehicle protection products sold by a

- 1 warrantor submitted under this section is a trade secret and
- 2 subject to Section 552.110, Government Code.
- 3 (d) The commission [commissioner] shall adopt rules
- 4 providing for the renewal of a warrantor's registration.
- 5 SECTION 22.006. Section 10(e), Article 9035, Revised
- 6 Statutes, is amended to read as follows:
- 7 (e) The <u>commission</u> [<del>commissioner</del>] shall adopt rules
- 8 governing how a warrantor shall protect nonpublic personal
- 9 information provided by a consumer to the warrantor.
- 10 SECTION 22.007. Sections 16(a) and (c), Article 9035,
- 11 Revised Statutes, are amended to read as follows:
- 12 (a) The executive director [commissioner] may bring an
- 13 action against a warrantor for injunctive relief under Section
- 14 51.352, Occupations Code, for a threatened or existing violation of
- 15 this article or of the [commissioner's] orders or rules adopted
- 16 under this article.
- 17 (c) For purposes of this section [and Section 15 of this
- 18 article], violations are of a similar nature if the violations
- 19 consist of the same or a similar course of conduct, action, or
- 20 practice, regardless of the number of times the conduct, act, or
- 21 practice determined to be a violation of this article occurred.
- 22 SECTION 22.008. The following laws are repealed:
- 23 (1) Section 2(2), Article 9035, Revised Statutes; and
- 24 (2) Section 15, Article 9035, Revised Statutes.
- 25 SECTION 22.009. The changes in law made by this article
- 26 applying to members of the Vehicle Protection Product Warrantor
- 27 Advisory Board do not affect the entitlement of a member serving on

- 1 the board immediately before September 1, 2003, to continue to
- 2 serve and function as a member of the board for the remainder of the
- 3 member's term. Those changes in law apply only to a member
- 4 appointed on or after September 1, 2003.
- 5 ARTICLE 23. WATER TREATMENT SPECIALISTS
- 6 SECTION 23.001. Section 341.034(e), Health and Safety Code,
- 7 is amended to read as follows:
- 8 (e) Unless the person is licensed by the Texas State Board
- 9 of Plumbing Examiners, a person must hold a license issued by the
- 10 <u>Texas Department of Licensing and Regulation</u> [commission] under
- 11 Chapter 51, Occupations [37, Water] Code, if, under a contract, the
- 12 person:
- 13 (1) installs, exchanges, connects, maintains, or
- 14 services potable water treatment equipment and appliances in public
- or private water systems; or
- 16 (2) analyzes water to determine how to treat influent
- 17 or effluent water, alter or purify water, or add or remove a
- 18 mineral, chemical, or bacterial content or substance as part of the
- 19 complete installation, exchange, connection, maintenance, or
- 20 service of potable water treatment equipment and appliances.
- 21 SECTION 23.002. Section 341.101, Health and Safety Code, is
- amended by amending Subdivision (1) and adding Subdivision (1-a) to
- 23 read as follows:
- 24 (1) "Commission" means the Texas [Natural Resource
- 25 Conservation | Commission of Licensing and Regulation.
- 26 (1-a) "Department" means the Texas Department of
- 27 Licensing and Regulation.

- 1 SECTION 23.003. Section 341.103, Health and Safety Code, is
- 2 amended to read as follows:
- 3 Sec. 341.103. CERTIFICATION REQUIRED. A person may not
- 4 engage in water treatment unless the person first obtains a
- 5 certificate from the department [commission] under the program
- 6 established under this subchapter.
- 7 SECTION 23.004. Section 341.104, Health and Safety Code, is
- 8 amended to read as follows:
- 9 Sec. 341.104. APPLICATION FOR CERTIFICATION. A person
- 10 desiring to obtain certification under the program established
- under this subchapter shall file with the department [commission]:
- 12 (1) an application in the form prescribed by the
- department [commission] and containing the information required by
- 14 the department [commission]; and
- 15 (2) the appropriate certification fee.
- SECTION 23.005. Section 341.105(a), Health and Safety Code,
- is amended to read as follows:
- 18 (a) On receipt of an application that meets department
- 19 [commission] requirements and the required fee, the department
- 20 [commission] shall issue to a person who meets department
- 21 [commission] standards for certification a certificate stating
- 22 that the person is qualified to install, exchange, service, and
- 23 repair residential, commercial, or industrial water treatment
- 24 facilities.
- SECTION 23.006. Section 3, Chapter 504, Acts of the 77th
- 26 Legislature, Regular Session, 2001, is repealed.
- 27 SECTION 23.007. (a) On November 1, 2003:

- 1 (1) all functions and activities relating to Section
- 2 341.034(e), Health and Safety Code, or Subchapter G, Chapter 341,
- 3 Health and Safety Code, performed by the Texas Commission on
- 4 Environmental Quality immediately before that date are transferred
- 5 to the Texas Department of Licensing and Regulation;
- 6 (2) a rule or form adopted by the Texas Commission on
- 7 Environmental Quality that relates to Section 341.034(e), Health
- 8 and Safety Code, or Subchapter G, Chapter 341, Health and Safety
- 9 Code, is a rule or form of the Texas Department of Licensing and
- 10 Regulation and remains in effect until amended or replaced by that
- 11 department;
- 12 (3) a license or other document issued by the Texas
- 13 Commission on Environmental Quality that relates to Section
- 14 341.034(e), Health and Safety Code, or Subchapter G, Chapter 341,
- 15 Health and Safety Code, is considered a license or other document
- 16 issued by the Texas Department of Licensing and Regulation and
- 17 remains in effect until amended or replaced by that department;
- 18 (4) a reference in law or an administrative rule to the
- 19 Texas Commission on Environmental Quality that relates to Section
- 341.034(e), Health and Safety Code, or Subchapter G, Chapter 341,
- 21 Health and Safety Code, means the Texas Department of Licensing and
- 22 Regulation;
- 23 (5) a complaint, investigation, or other proceeding
- 24 before the Texas Commission on Environmental Quality that is
- 25 related to Section 341.034(e), Health and Safety Code, or
- 26 Subchapter G, Chapter 341, Health and Safety Code, is transferred
- 27 without change in status to the Texas Department of Licensing and

- 1 Regulation, and the Texas Department of Licensing and Regulation
- 2 assumes, as appropriate and without a change in status, the
- 3 position of the Texas Commission on Environmental Quality in an
- 4 action or proceeding to which the Texas Commission on Environmental
- 5 Quality is a party;
- 6 (6) all money, contracts, leases, property, and
- 7 obligations of the Texas Commission on Environmental Quality
- 8 related to Section 341.034(e), Health and Safety Code, or
- 9 Subchapter G, Chapter 341, Health and Safety Code, are transferred
- 10 to the Texas Department of Licensing and Regulation;
- 11 (7) all property in the custody of the Texas
- 12 Commission on Environmental Quality related to Section 341.034(e),
- 13 Health and Safety Code, or Subchapter G, Chapter 341, Health and
- 14 Safety Code, is transferred to the Texas Department of Licensing
- 15 and Regulation; and
- 16 (8) the unexpended and unobligated balance of any
- 17 money appropriated by the legislature for the Texas Commission on
- 18 Environmental Quality related to Section 341.034(e), Health and
- 19 Safety Code, or Subchapter G, Chapter 341, Health and Safety Code,
- 20 is transferred to the Texas Department of Licensing and Regulation.
- 21 (b) Before November 1, 2003, the Texas Commission on
- 22 Environmental Quality may agree with the Texas Department of
- 23 Licensing and Regulation to transfer any property of the Texas
- 24 Commission on Environmental Quality to the Texas Department of
- 25 Licensing and Regulation to implement the transfer required by this
- 26 article.
- 27 (c) In the period beginning on the effective date of this

- C.S.S.B. No. 279
- 1 Act and ending on November 1, 2003, the Texas Commission on
- 2 Environmental Quality shall continue to perform functions and
- 3 activities under Section 341.034(e), Health and Safety Code, or
- 4 Subchapter G, Chapter 341, Health and Safety Code, as if those
- 5 provisions had not been amended by this Act, and the former law is
- 6 continued in effect for that purpose.
- 7 ARTICLE 24. WATER WELL DRILLERS
- 8 SECTION 24.001. Section 1901.001, Occupations Code, is
- 9 amended by adding Subdivisions (7-a) and (7-b) to read as follows:
- 10 (7-a) "Executive director" means the executive
- 11 <u>director of the department.</u>
- 12 (7-b) "Groundwater conservation district" means a
- district to which Chapter 36, Water Code, applies.
- 14 SECTION 24.002. Section 1901.051, Occupations Code, is
- 15 amended to read as follows:
- Sec. 1901.051. LICENSING. (a) The department, with the
- 17 advice of the council, shall prepare licensing examinations.
- 18 (b) The department shall [and] evaluate the qualifications
- 19 of license applicants.
- 20 (c) [<del>(b)</del>] The executive director [<del>commissioner</del>] shall issue
- 21 licenses to applicants who qualify.
- SECTION 24.003. Section 1901.052, Occupations Code, is
- 23 amended to read as follows:
- Sec. 1901.052. RULES. (a) The commission [commissioner,
- 25 with advice and comment from the Texas Natural Resource
- 26 Conservation Commission, shall adopt rules as necessary to enforce
- 27 this chapter, including rules governing:

- 1 (1) license applications;
- 2 (2) qualifications of applicants;
- 3 (3) standards of conduct for drillers, including
- 4 standards for marking well drilling rigs and equipment; and
- 5 (4) procedures and practices before the department.
- 6 (b) The <u>commission</u> [<del>commissioner</del>] may not adopt a rule under 7 this chapter that:
- 8 (1) regulates the installation or repair of well pumps 9 and equipment by:
- 10 (A) a person on property the person owns or 11 controls for the person's own use;
- 12 (B) an employee of a person described by 13 Paragraph (A); or
- (C) a person who is not hired or compensated and who acts on behalf of a person described by Paragraph (A); or
- 16 (2) requires a person who owns or controls property or 17 possesses a well to complete, repair, or retrofit the well to any 18 standard other than a standard in effect at the time the well was 19 originally completed unless the well is found to be a threat to 20 public health and safety or to water quality.
- 21 SECTION 24.004. Section 1901.101(a), Occupations Code, is 22 amended to read as follows:
- 23 (a) The Texas Water Well Drillers Advisory Council consists
  24 of nine members appointed by the <u>presiding officer of the</u>
  25 <u>commission</u>, with the <u>commission</u>'s <u>approval</u>, [<del>department</del>] as
  26 follows:
- 27 (1) six members who are drillers experienced in the

- well drilling business and familiar with well drilling, completion,
- 2 and plugging methods and techniques; and
- 3 (2) three public members.
- 4 SECTION 24.005. Section 1901.105, Occupations Code, is
- 5 amended to read as follows:
- 6 Sec. 1901.105. PRESIDING OFFICER. The presiding officer of
- 7 the commission [council] shall appoint [clect] a member of the
- 8 <u>council to serve as</u> presiding officer <u>of the council for two years</u>
- 9 [by a majority vote at the first meeting each year].
- 10 SECTION 24.006. Sections 1901.109(a) and (d), Occupations
- 11 Code, are amended to read as follows:
- 12 (a) The council may propose rules for adoption by the
- 13 commission [commissioner] relating to the regulation of drillers
- 14 registered under this chapter.
- 15 (d) The council shall assist the <u>commission</u> [department] in
- 16 evaluating continuing education programs.
- SECTION 24.007. Section 1901.152(b), Occupations Code, is
- 18 amended to read as follows:
- 19 (b) An applicant must pay to the department an [a
- 20 nonrefundable] examination fee at the time the application is
- 21 submitted.
- SECTION 24.008. Section 1901.162, Occupations Code, is
- 23 amended to read as follows:
- Sec. 1901.162. WAIVER FOR APPLICANT LICENSED IN ANOTHER
- 25 STATE. The commission [commissioner] may adopt rules allowing
- 26 waiver of a license requirement for an applicant who is licensed in
- 27 another state that has license requirements substantially

- 1 equivalent to those of this state.
- 2 SECTION 24.009. Section 1901.251(a), Occupations Code, is
- 3 amended to read as follows:
- 4 (a) Each driller who drills, deepens, or otherwise alters a
- 5 water well in this state shall make and keep a legible and accurate
- 6 well log in accordance with rules adopted by the commission and on
- 7 forms prescribed by the <u>executive director</u> [<del>commissioner</del>]. The
- 8 well log shall be recorded at the time of drilling, deepening, or
- 9 otherwise altering the well and must contain:
- 10 (1) the depth, thickness, and character of the strata
- 11 penetrated;
- 12 (2) the location of water-bearing strata;
- 13 (3) the depth, size, and character of casing
- 14 installed; and
- 15 (4) any other information required by rules adopted by
- 16 the commission [commissioner].
- SECTION 24.010. Section 1901.252(b), Occupations Code, is
- 18 amended to read as follows:
- 19 (b) The commission [commissioner] shall adopt rules
- 20 specifying the manner for marking a rig.
- 21 SECTION 24.011. Section 1901.253, Occupations Code, is
- 22 amended to read as follows:
- Sec. 1901.253. COMPLETING WATER WELL. A driller shall
- 24 complete a well under standards and procedures adopted by the
- 25 commission [commissioner].
- SECTION 24.012. Section 1901.254(b), Occupations Code, is
- 27 amended to read as follows:

- 1 (b) The driller shall ensure that the well is plugged,
- 2 repaired, or properly completed under standards and procedures
- 3 adopted by the commission [commissioner].
- 4 SECTION 24.013. Section 1901.255, Occupations Code, is
- 5 amended by amending Subsections (c) and (d) and adding Subsection
- 6 (e) to read as follows:
- 7 (c) Not later than the 180th day after the date a landowner
- 8 or other person who possesses an abandoned or deteriorated well
- 9 learns of its condition, the landowner or other person shall have
- 10 the well plugged or capped under standards and procedures adopted
- 11 by the commission [commissioner].
- 12 (d) Not later than the 30th day after the date the well is
- 13 plugged, a [A] driller, licensed pump installer, or well owner who
- 14 plugs an abandoned or deteriorated well shall submit a plugging
- 15 report to:
- 16 (1) the board of directors of the groundwater
- 17 conservation district in which the well is located, if the well is
- 18 located in the boundaries of a groundwater conservation district;
- 19 and
- 20 <u>(2)</u> the <u>executive director</u> [<u>commissioner not later</u>
- 21 than the 30th day after the date the well is plugged].
- 22 <u>(e)</u> The department <u>or the groundwater conservation district</u>
- 23 <u>in which the well is located</u> shall furnish plugging report forms on
- 24 request. The executive director shall prescribe the content of the
- 25 forms.
- SECTION 24.014. Subchapter F, Chapter 1901, Occupations
- 27 Code, is amended by adding Section 1901.256 to read as follows:

- 1 Sec. 1901.256. ENFORCEMENT BY GROUNDWATER CONSERVATION
- 2 DISTRICT. (a) This section applies only to a violation related to
- 3 a well located in the boundaries of the groundwater conservation
- 4 district seeking to bring an action under this section.
- 5 (b) A groundwater conservation district shall enforce
- 6 compliance with Section 1901.255 related to wells located in the
- 7 <u>boundaries of the district.</u>
- 8 (c) A groundwater conservation district may bring an action
- 9 to enjoin a person from violating Section 1901.255.
- 10 (d) A groundwater conservation district may enforce by
- 11 injunction or other appropriate remedy in a court any rule,
- 12 decision, determination, or order adopted or entered under this
- 13 chapter that is related to Section 1901.255.
- 14 (e) A groundwater conservation district may bring an action
- to recover a civil penalty under Section 1901.401 for a violation of
- this chapter or a rule adopted under this chapter related to Section
- 17 1901.255.
- 18 (f) The groundwater conservation district may bring the
- 19 action in the county in which:
- 20 (1) the offending activity occurred; or
- 21 (2) the person engaging in the activity resides.
- 22 SECTION 24.015. Subchapter F, Chapter 1901, Occupations
- 23 Code, is amended by adding Section 1901.257 to read as follows:
- Sec. 1901.257. MEMORANDUM OF UNDERSTANDING REGARDING
- 25 ABANDONED WELLS. (a) In this section, "abandoned well" and
- "deteriorated well" have the meanings assigned by Section 1901.255.
- 27 (b) The Texas <u>Commission on Environmental Quality and the</u>

- 1 department shall by rule adopt or revise a joint memorandum of
- 2 understanding to coordinate the efforts of the department,
- 3 groundwater conservation districts, and the field offices of the
- 4 Texas Commission on Environmental Quality relating to
- 5 investigative procedures for referrals of complaints regarding
- 6 <u>abandoned and deteriorated wells.</u>
- 7 <u>(c) Each groundwater conservation district in which an</u>
- 8 abandoned or deteriorated well is located shall join the memorandum
- 9 of understanding adopted under Subsection (b).
- 10 SECTION 24.016. Section 1901.301, Occupations Code, is
- 11 amended to read as follows:
- 12 Sec. 1901.301. GROUNDS FOR DISCIPLINARY ACTION. The
- 13 commission [commissioner] may discipline a person under Section
- 14 51.353 for a violation of this chapter or a rule adopted under this
- 15 chapter, including:
- 16 (1) an intentional misstatement or misrepresentation
- of a fact on an application or well log or to a person for whom a
- 18 well is being drilled, deepened, or otherwise altered;
- 19 (2) the failure to keep, deliver, or send a well log as
- 20 required by Section 1901.251;
- 21 (3) the failure to advise a person for whom a well is
- 22 being drilled that:
- 23 (A) injurious water has been encountered;
- 24 (B) the water is a pollution hazard; and
- (C) the well must be immediately plugged in an
- 26 acceptable manner; or
- 27 (4) the failure to complete a well in accordance with

1 standards and procedures adopted by the <a href="commission">commission</a> [commissioner]. 2 SECTION 24.017. The following laws are repealed: Section 1901.001(2), Occupations Code; 3 Section 1901.109(e), Occupations Code; 4 (2) 5 Section 1901.155(b), Occupations Code; (3) (4)Section 1901.156, Occupations Code; 6 7 Section 1901.157, Occupations Code; (5) 8 (6) Section 1901.160, Occupations Code; 9 Section 1901.205, Occupations Code; (7) Section 1901.302, Occupations Code; 10 (8) Section 1901.303, Occupations Code; 11 (9)

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SECTION 24.018. The changes in law made to Section 1901.255, Occupations Code, by this article do not affect the status of a complaint, investigation, or other proceeding that commenced before September 1, 2003. A groundwater conservation district, as appropriate and without a change in status, assumes the position of the executive director of the Texas Department of Licensing and Regulation in an action or proceeding relating to a well located in the boundaries of that groundwater conservation district.

Section 1901.304, Occupations Code; and

Subchapter H, Chapter 1901, Occupations Code.

SECTION 24.019. The changes in law made by this article applying to members of the Texas Water Well Drillers Advisory Council do not affect the entitlement of a member serving on the council immediately before September 1, 2003, to continue to serve and function as a member of the council for the remainder of the

- 1 member's term. Those changes in law apply only to a member appointed
- on or after September 1, 2003.
- 3 ARTICLE 25. WATER WELL PUMP INSTALLERS
- 4 SECTION 25.001. Section 1902.001, Occupations Code, is
- 5 amended by adding Subdivision (4-a) to read as follows:
- 6 (4-a) "Executive director" means the executive
- 7 <u>director of the department.</u>
- 8 SECTION 25.002. Section 1902.051, Occupations Code, is
- 9 amended to read as follows:
- Sec. 1902.051. LICENSING. (a) The department, with the
- 11 advice of the council, shall prepare licensing examinations.
- 12 (b) The department shall [and] evaluate the qualifications
- of license applicants.
- (c) [<del>(b)</del>] The executive director [<del>commissioner</del>] shall issue
- 15 licenses to applicants who qualify.
- 16 SECTION 25.003. Section 1902.052, Occupations Code, is
- 17 amended to read as follows:
- Sec. 1902.052. RULES. (a) The commission [commissioner]
- 19 shall adopt rules as necessary to enforce this chapter.
- 20 (b) The commission [commissioner] may not adopt a rule under
- 21 this chapter that:
- 22 (1) regulates the installation or repair of well pumps
- 23 and equipment by:
- 24 (A) a person on property the person owns or
- controls for the person's own use;
- 26 (B) an employee of a person described by
- 27 Paragraph (A); or

- 1 (C) a person who is not hired or compensated and
- who acts on behalf of a person described by Paragraph (A); or
- 3 (2) requires a person who owns or controls property or
- 4 possesses a well to complete, repair, or retrofit the well to any
- 5 standard other than a standard in effect at the time the well was
- 6 originally completed unless the well is found to be a threat to
- 7 public health and safety or to water quality.
- 8 SECTION 25.004. Section 1902.152(b), Occupations Code, is
- 9 amended to read as follows:
- 10 (b) An applicant must pay to the department an [a
- 11 nonrefundable] examination fee at the time the application is
- 12 submitted.
- SECTION 25.005. Section 1902.162, Occupations Code, is
- 14 amended to read as follows:
- 15 Sec. 1902.162. WAIVER FOR APPLICANT LICENSED IN ANOTHER
- 16 STATE. The commission [commissioner] may adopt rules allowing
- 17 waiver of a license requirement for an applicant who is licensed in
- 18 another state that has license requirements substantially
- 19 equivalent to those of this state.
- 20 SECTION 25.006. Section 1902.251, Occupations Code, is
- 21 amended to read as follows:
- Sec. 1902.251. INSTALLING AND REPAIRING PUMPS. An
- 23 installer shall install or repair pumps under standards and
- 24 procedures adopted by the <a href="commission">commission</a> [commissioner] with the advice
- 25 of the council.
- SECTION 25.007. Section 1902.252(b), Occupations Code, is
- 27 amended to read as follows:

- 1 (b) To avoid injury or pollution, the installer shall repair 2 or properly complete the well under standards and procedures 3 adopted by the commission [commissioner].
- 4 SECTION 25.008. The following laws are repealed:
- 5 (1) Section 1902.001(2), Occupations Code;
  - (2) Section 1902.101, Occupations Code;
- 7 (3) Section 1902.155(b), Occupations Code;
- 8 (4) Section 1902.156, Occupations Code;
  - (5) Section 1902.157, Occupations Code;
- 10 (6) Section 1902.160, Occupations Code;
- 11 (7) Section 1902.204, Occupations Code; and
- 12 (8) Subchapters G and H, Chapter 1902, Occupations
- 13 Code.

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- 14 ARTICLE 26. WEATHER MODIFICATION
- SECTION 26.001. Section 1.01, Chapter 376, Acts of the 77th
- 16 Legislature, Regular Session, 2001 (Article 165c, Vernon's Texas
- 17 Civil Statutes), is amended by amending Subdivision (1) and adding
- 18 Subdivision (2-a) to read as follows:
- 19 (1) "Commission" ["Commissioner"] has the meaning
- 20 assigned by Section 51.001, Occupations Code.
- 21 (2-a) "Executive director" means the executive
- 22 director of the department.
- SECTION 26.002. Article 1, Chapter 376, Acts of the 77th
- 24 Legislature, Regular Session, 2001 (Article 165c, Vernon's Texas
- 25 Civil Statutes), is amended by adding Section 1.02 to read as
- 26 follows:
- Sec. 1.02. APPLICABILITY OF OTHER LAW. Sections 51.404 and

- 1 51.405, Occupations Code, do not apply to this article.
- 2 SECTION 26.003. Section 1.11, Chapter 376, Acts of the 77th
- 3 Legislature, Regular Session, 2001 (Article 165c, Vernon's Texas
- 4 Civil Statutes), is amended to read as follows:
- 5 Sec. 1.11. RULES. The commission [department] may adopt
- 6 rules necessary to:
- 7 (1) exercise the powers and perform the duties under
- 8 this article;
- 9 (2) establish procedures and conditions for the
- 10 issuance of licenses and permits under this article; and
- 11 (3) establish standards and instructions to govern the
- 12 carrying out of research or projects in weather modification and
- 13 control that the commission [department] considers necessary or
- 14 desirable to minimize danger to health or property.
- SECTION 26.004. Section 1.13, Chapter 376, Acts of the 77th
- 16 Legislature, Regular Session, 2001 (Article 165c, Vernon's Texas
- 17 Civil Statutes), is amended to read as follows:
- 18 Sec. 1.13. ADVISORY COMMITTEES. The commission
- 19 [department] may establish advisory committees to advise the
- 20 commission [department] and to make recommendations to the
- 21 <u>commission</u> [department] concerning legislation, policies,
- 22 administration, research, and other matters related to the
- 23 department's duties, powers, or functions under this article. If
- 24 the commission establishes an advisory committee under this
- 25 section, the presiding officer of the commission, with the
- 26 commission's approval, shall appoint a member of the committee to
- 27 serve as the presiding officer of the committee for a two-year term.

- SECTION 26.005. Section 1.16, Chapter 376, Acts of the 77th
- 2 Legislature, Regular Session, 2001 (Article 165c, Vernon's Texas
- 3 Civil Statutes), is amended to read as follows:
- 4 Sec. 1.16. INTERSTATE COMPACTS. The commission
- 5 [commissioner] may represent the state in matters pertaining to
- 6 plans, procedures, or negotiations for interstate compacts
- 7 relating to weather modification and control.
- 8 SECTION 26.006. Section 1.18(b), Chapter 376, Acts of the
- 9 77th Legislature, Regular Session, 2001 (Article 165c, Vernon's
- 10 Texas Civil Statutes), is amended to read as follows:
- 11 (b) The department with approval of the <u>commission</u>
- 12 [commissioner] may conduct and may contract for research and
- development activities relating to the purposes of this section.
- SECTION 26.007. Section 1.31, Chapter 376, Acts of the 77th
- 15 Legislature, Regular Session, 2001 (Article 165c, Vernon's Texas
- 16 Civil Statutes), is amended to read as follows:
- 17 Sec. 1.31. LICENSE AND PERMIT REQUIRED. Except as provided
- 18 by rule of the commission [department] under Section 1.32 of this
- 19 article, a person may not engage in activities for weather
- 20 modification and control:
- 21 (1) without a weather modification license and weather
- 22 modification permit issued by the department; or
- 23 (2) in violation of any term or condition of the
- 24 license or permit.
- SECTION 26.008. Section 1.32, Chapter 376, Acts of the 77th
- 26 Legislature, Regular Session, 2001 (Article 165c, Vernon's Texas
- 27 Civil Statutes), is amended to read as follows:

- Sec. 1.32. EXEMPTIONS. (a) The <u>commission</u> [department] by
- 2 rule, to the extent it considers exemptions practical, shall
- 3 provide for exempting the following activities from the license and
- 4 permit requirements of this article:
- 5 (1) research, development, and experiments conducted
- 6 by state and federal agencies, institutions of higher learning, and
- 7 bona fide nonprofit research organizations;
- 8 (2) laboratory research and experiments;
- 9 (3) activities of an emergent nature for protection
- 10 against fire, frost, sleet, or fog; and
- 11 (4) activities normally conducted for purposes other
- than inducing, increasing, decreasing, or preventing precipitation
- 13 or hail.
- 14 (b) The commission [department] by rule may modify or revoke
- 15 an exemption.
- SECTION 26.009. Section 1.41(v), Chapter 376, Acts of the
- 17 77th Legislature, Regular Session, 2001 (Article 165c, Vernon's
- 18 Texas Civil Statutes), is amended to read as follows:
- 19 (v) The commission [department] by rule shall define hail
- 20 suppression as used in this section, using the most current
- 21 scientifically accepted technological concepts.
- SECTION 26.010. Section 1.64, Chapter 376, Acts of the 77th
- 23 Legislature, Regular Session, 2001 (Article 165c, Vernon's Texas
- 24 Civil Statutes), is amended to read as follows:
- Sec. 1.64. PROCEDURES. The commission [department] by rule
- 26 shall establish procedures for public notice and any public hearing
- 27 under this subchapter.

- SECTION 26.011. Section 1.65, Chapter 376, Acts of the 77th
- 2 Legislature, Regular Session, 2001 (Article 165c, Vernon's Texas
- 3 Civil Statutes), is amended to read as follows:
- 4 Sec. 1.65. HEARINGS. A hearing under this article
- 5 [subchapter] shall be conducted in accordance with the hearing
- 6 rules adopted by the commission [department] and the applicable
- 7 provisions of <u>Chapters 51</u>, <u>Occupations Code</u>, <u>and</u> [<del>Chapter</del>] 2001,
- 8 Government Code.
- 9 SECTION 26.012. Section 1.66, Chapter 376, Acts of the 77th
- 10 Legislature, Regular Session, 2001 (Article 165c, Vernon's Texas
- 11 Civil Statutes), is amended to read as follows:
- 12 Sec. 1.66. CONSENT. If a permit holder or license holder
- 13 requests or consents to the revocation or suspension of the permit
- or license, the commission [commissioner] may revoke or suspend the
- 15 permit or license without a hearing.
- 16 SECTION 26.013. The following laws are repealed:
- 17 (1) Section 1.34, Chapter 376, Acts of the 77th
- 18 Legislature, Regular Session, 2001 (Article 165c, Vernon's Texas
- 19 Civil Statutes);
- 20 (2) Section 1.38, Chapter 376, Acts of the 77th
- 21 Legislature, Regular Session, 2001 (Article 165c, Vernon's Texas
- 22 Civil Statutes); and
- 23 (3) Section 1.68, Chapter 376, Acts of the 77th
- 24 Legislature, Regular Session, 2001 (Article 165c, Vernon's Texas
- 25 Civil Statutes).
- 26 ARTICLE 27. CONFORMING AMENDMENTS RELATED TO CERTAIN PROGRAMS
- 27 TRANSFERRED FROM THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

- C.S.S.B. No. 279
- 1 SECTION 27.001. The heading to Chapter 37, Water Code, is
- 2 amended to read as follows:
- 3 CHAPTER 37. OCCUPATIONAL LICENSING AND REGISTRATION PROGRAMS
- 4 ADMINISTERED BY TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
- 5 SECTION 27.002. Section 37.002, Water Code, is amended to
- 6 read as follows:
- 7 Sec. 37.002. RULES. The commission shall adopt any rules
- 8 necessary to:
- 9 (1) establish occupational licenses and registrations
- 10 prescribed by Sections 26.0301 and  $[\tau]$  26.3573  $[\tau]$  26.452, 26.456,
- 11 and 34.007] of this code and Sections 341.033, 341.034(a) and (b)
- 12 [341.034], 361.027, and 366.071, Health and Safety Code;
- 13 (2) establish classes and terms of occupational
- 14 licenses and registrations; and
- 15 (3) administer the provisions of this chapter and
- 16 other laws governing occupational licenses and registrations under
- 17 the commission's jurisdiction.
- 18 SECTION 27.003. Section 37.003, Water Code, is amended to
- 19 read as follows:
- Sec. 37.003. LICENSE OR REGISTRATION REQUIRED. A person
- 21 may not engage in a business, occupation, or profession described
- 22 by Section 26.0301 or  $[\tau]$  26.3573  $[\tau]$  26.452, 26.456, or 34.007] of
- 23 this code or Section 341.033, 341.034(a) or (b) [341.034], 361.027,
- 366.014, or 366.071, Health and Safety Code, unless the person
- 25 holds the appropriate license or registration issued by the
- 26 commission.
- 27 SECTION 27.004. Subtitle F, Title 2, Water Code, is amended

1	by adding Chapter 38 to read as follows:
2	CHAPTER 38. OCCUPATIONAL LICENSING PROGRAMS ADMINISTERED BY TEXAS
3	DEPARTMENT OF LICENSING AND REGULATION
4	SUBCHAPTER A. GENERAL PROVISIONS
5	Sec. 38.001. DEFINITIONS. In this chapter, terms have the
6	meanings assigned by Section 51.001, Occupations Code.
7	[Sections 38.002-38.050 reserved for expansion]
8	SUBCHAPTER B. POWERS AND DUTIES
9	Sec. 38.051. ADMINISTRATION. The department shall
10	administer this chapter.
11	Sec. 38.052. RULES. The commission shall adopt any rules
12	necessary to:
13	(1) establish occupational licenses prescribed by
14	Sections 26.452 and 26.456 of this code and Sections 341.034(c),
15	(d), and (e), Health and Safety Code; and
16	(2) establish classes and terms of occupational
17	<u>licenses.</u>
18	Sec. 38.053. CONTRACTS. The department may contract with
19	persons to provide services required by this chapter. The
20	department may authorize contractors to collect reasonable fees for
21	the services provided.
22	Sec. 38.054. COMPLIANCE INFORMATION. In administering this
23	chapter, the department may require a person to provide information
24	about any other occupational license held by the person, including:
25	(1) the state in which the license was issued;
26	(2) the current status of the license; and
27	(3) whether the license was ever denied, suspended,

1 revoked, surrendered, or withdrawn. 2 Sec. 38.055. ROSTER OF LICENSE HOLDERS. The department shall maintain and make available to the public a roster of persons 3 4 who hold licenses issued under this chapter. 5 [Sections 38.056-38.100 reserved for expansion] 6 SUBCHAPTER C. LICENSE REQUIREMENTS Sec. 38.101. LICENSE REQUIRED. A person may not engage in a 7 8 business, occupation, or profession described by Section 26.452 or 26.456 of this code or Section 341.034(c), (d), or (e), Health and 9 Safety Code, unless the person holds the appropriate license. 10 Sec. 38.102. QUALIFICATIONS. The commission may establish 11 12 qualifications for each license issued under this chapter. Sec. 38.103. ISSUANCE AND DENIAL OF LICENSES. (a) The 13 14 commission shall establish requirements and uniform procedures for 15 issuing licenses under this chapter. (b) After notice and hearing, the commission may deny an 16 17 application for a license by an applicant who: (1) has a record in the preceding five years of 18 19 continuing violations of statutes or rules adopted under statutes; (2) has engaged in fraud or deceit in obtaining or 20 21 applying for a license;

(3) has demonstrated gross negligence, incompetence,

or misconduct in the performance of activities authorized by a

misrepresentation of fact in information required to be maintained

or submitted to the commission by the license holder;

(4) made an intentional misstatement

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license;

- 1 (5) failed to keep and transmit records as required by
- 2 a statute or a rule adopted under a statute; or
- 3 (6) at the time the application is submitted, is
- 4 indebted to the state for a fee, penalty, or tax imposed by a
- 5 statute or a rule adopted under a statute.
- 6 Sec. 38.104. RENEWAL OF LICENSE. The commission shall
- 7 <u>establish requirements and uniform procedures for renewing</u>
- 8 licenses.
- 9 Sec. 38.105. LICENSING EXAMINATIONS. (a) The department
- 10 shall prescribe the content of licensing examinations. The
- 11 department shall base the examinations on laws, rules, job duties,
- 12 and standards relating to licenses issued under this chapter.
- 13 (b) The department shall determine the location and
- 14 frequency of examinations.
- 15 (c) The department shall ensure that an otherwise qualified
- 16 person with a physical, mental, or developmental disability is
- 17 provided with a reasonable opportunity to take a licensing
- 18 examination.
- 19 ARTICLE 28. GENERAL CONFORMING AMENDMENTS
- SECTION 28.001. Section 57.044, Government Code, is amended
- 21 to read as follows:
- Sec. 57.044. COURT INTERPRETER LICENSE. To qualify for a
- 23 court interpreter license under this subchapter, an individual must
- 24 apply on a form prescribed by the executive director [commissioner]
- 25 and demonstrate, in the manner required by the executive director
- 26 [commissioner], reasonable proficiency in interpreting English and
- 27 court proceedings for individuals who can hear but who do not

- 1 comprehend English or communicate in English.
- 2 SECTION 28.002. Sections 57.046(a) and (c), Government
- 3 Code, are amended to read as follows:
- 4 (a) The executive director [commissioner] shall prepare
- 5 examinations under this subchapter that test an applicant's
- 6 knowledge, skill, and efficiency in interpreting under this
- 7 subchapter.
- 8 (c) Examinations shall be offered in the state at least
- 9 twice a year at times and places designated by the executive
- 10 director [commissioner].
- 11 SECTION 28.003. The heading to Section 57.047, Government
- 12 Code, is amended to read as follows:
- 13 Sec. 57.047. [COMMISSIONER AND] DEPARTMENT DUTIES;
- 14 INSPECTIONS.
- SECTION 28.004. Section 57.047(a), Government Code, is
- 16 amended to read as follows:
- 17 (a) The executive director [commissioner] shall enforce
- 18 this subchapter.
- 19 SECTION 28.005. Section 754.020, Health and Safety Code, is
- 20 amended to read as follows:
- Sec. 754.020. DEPOSIT OF FEES. Fees collected under this
- 22 subchapter shall be deposited to the credit of an account in the
- 23 general revenue fund that may be used by the executive director
- 24 [commissioner] only to administer and enforce this subchapter and
- to reimburse expenses of board members provided by this subchapter.
- SECTION 28.006. Section 754.021, Health and Safety Code, is
- 27 amended to read as follows:

- 1 Sec. 754.021. LIST OF INSPECTORS; PERSONNEL. The <u>executive</u>
- 2 director [commissioner] may:
- 3 (1) compile a list of ASME-QEI-1 certified inspectors
- 4 who are registered with the department to perform an inspection
- 5 under this subchapter; and
- 6 (2) employ personnel as necessary to enforce this
- 7 subchapter.
- 8 SECTION 28.007. Section 754.022, Health and Safety Code, is
- 9 amended to read as follows:
- 10 Sec. 754.022. NOTICE OF NONCOMPLIANCE. If the <u>executive</u>
- 11 director [commissioner] learns of a situation of noncompliance
- under Section 754.019, the executive director [commissioner] shall
- 13 send notice by certified mail of the noncompliance and the actions
- 14 required to remedy the noncompliance to the record owner of the real
- 15 property on which the equipment that is the subject of the
- 16 noncompliance is located.
- 17 SECTION 28.008. Sections 755.023(a), (c), and (d), Health
- and Safety Code, are amended to read as follows:
- 19 (a) The <u>executive director</u> [<del>commissioner</del>] shall appoint a
- 20 chief inspector of boilers to administer the boiler program. The
- 21 chief inspector must:
- 22 (1) be a resident of this state and a citizen of the
- 23 United States;
- 24 (2) have at least five years' experience in the
- 25 construction, installation, inspection, operation, maintenance, or
- 26 repair of boilers; and
- 27 (3) pass a written examination that demonstrates the

- 1 necessary ability to judge the safety of boilers.
- 2 (c) As needed, the executive director [commissioner] shall
- 3 appoint persons with qualifications similar to those of the chief
- 4 inspector to serve as deputy inspectors.
- 5 (d) The executive director [commissioner] may employ
- 6 clerical assistants as necessary to carry out this chapter.
- 7 SECTION 28.009. Sections 755.024(a), (b), (f), and (g),
- 8 Health and Safety Code, are amended to read as follows:
- 9 (a) To be an authorized inspector, a person must obtain a
- 10 commission as a boiler inspector from the <u>executive director</u>
- 11 [commissioner] and must be continuously employed by an inspection
- 12 agency.
- 13 (b) The executive director [commissioner], by written
- 14 examination, shall determine the qualifications of an applicant for
- 15 a commission to be an authorized inspector.
- 16 (f) After proper investigation, the executive director
- 17 [commissioner] may accept an inspection commission issued to a
- 18 person by any other jurisdiction that has a written examination
- 19 equal to that of this state.
- 20 (g) For good cause, the <u>executive director</u> [<del>commissioner</del>]
- 21 may rescind a commission issued by this state.
- 22 SECTION 28.010. Sections 755.025(a), (f), and (g), Health
- and Safety Code, are amended to read as follows:
- 24 (a) The executive director [commissioner] shall require
- 25 each boiler to be inspected internally and externally at the time of
- 26 initial installation and at subsequent intervals as provided by
- 27 this section. The executive director [commissioner] may provide

- 1 that the inspection be performed by any inspector.
- 2 (f) The <u>executive director</u> [<u>commissioner</u>] shall designate
  3 the manner of inspection for nuclear boilers, the form of the
  4 inspection report, and the information to be reported. The
  5 <u>executive director</u> [<u>commissioner</u>] and the owner of a nuclear boiler
- 6 shall establish the intervals of inspection for the boiler.
- 7 The executive director [commissioner] may authorize the 8 inspection of a boiler at any reasonable time if the executive 9 director [commissioner] determines that the boiler may be in an The <u>executive director</u> [<del>commissioner</del>] shall 10 unsafe condition. notify the inspection agency that insures that boiler and request 11 the authorized inspector employed by that agency to participate 12 with the chief inspector or a deputy inspector in a joint inspection 13 14 of the boiler not later than the 20th day after the date on which the 15 executive director [commissioner] notifies the inspection agency.
- 16 An additional charge may not be made for the joint inspection.
- SECTION 28.011. Sections 755.026(a), (c), (d), and (e),
  Health and Safety Code, are amended to read as follows:
- 19 (a) With the approval of the executive director [commissioner] and the inspection agency that has jurisdiction for 20 the power boiler, the interval between internal inspections may be 21 extended to a period not exceeding a total of 48 months. For other 22 unfired steam boilers or steam collection or liberation drums of 23 24 process steam generators, the inspection interval may be extended 25 to the next scheduled downtime of the boiler, but not exceeding a total of 84 months. 26
- 27 (c) The executive director [commissioner] and the

- 1 inspection agency may grant an additional extension for a period
- 2 not exceeding 120 days to the inspection interval covered by the
- 3 boiler's certificate of operation on receipt of a request for
- 4 extension stating that an emergency exists. Before the extension
- 5 may be granted, the inspection agency must make an external
- 6 inspection of the boiler, and the conditions imposed under
- 7 Subsection (b) must be met.
- 8 (d) If an extended period between internal inspections is
- 9 approved by the executive director [commissioner] and the
- 10 inspection agency, the <u>executive director</u> [<del>commissioner</del>] shall
- 11 issue a new certificate of operation for the extended period of
- 12 operation.
- 13 (e) If the interval between internal inspections of a gas
- 14 fired boiler is extended under Subsection (a), the executive
- director [commissioner] and inspection agency shall require that an
- 16 inspection of the gas regulator or pressure reducing valve that
- 17 services the boiler be performed as part of the next regularly
- 18 scheduled external certificate inspection of the boiler to verify
- 19 proper venting of gas to a safe point of discharge.
- 20 SECTION 28.012. Sections 755.027(a) and (c), Health and
- 21 Safety Code, are amended to read as follows:
- 22 (a) Not later than the 30th day after the date on which a
- 23 certificate inspection is performed by an authorized inspector, the
- 24 inspection agency employing the authorized inspector shall file a
- 25 report with the executive director [commissioner] in the manner
- specified by the executive director [department].
- 27 (c) An inspection agency shall notify the executive

- 1 director [commissioner] in writing of the cancellation or
- 2 expiration of any insurance policy issued by that agency to cover a
- 3 boiler located in this state, and shall include in the notice the
- 4 reason for the cancellation or expiration. The notice must state
- 5 the date the policy was issued and the date on which the
- 6 cancellation or expiration takes effect.
- 7 SECTION 28.013. Section 755.028, Health and Safety Code, is
- 8 amended to read as follows:
- 9 Sec. 755.028. SPECIAL INSPECTIONS. The <u>executive director</u>
- 10 [commissioner] may provide a special inspection service to the
- 11 owners, operators, and manufacturers of boilers. The service may
- 12 include surveys required for certification to construct, assemble,
- or repair boilers or pressure vessels.
- SECTION 28.014. Section 755.029(a), Health and Safety Code,
- is amended to read as follows:
- 16 (a) The executive director [commissioner] shall issue to
- 17 the owner or operator of a boiler a certificate of operation for the
- 18 boiler if after a certificate inspection:
- 19 (1) the boiler is found to be in a safe condition for
- 20 operation; and
- 21 (2) the owner or operator has paid the fees assessed
- 22 under Section 755.030.
- SECTION 28.015. Section 755.042, Health and Safety Code, is
- 24 amended to read as follows:
- Sec. 755.042. PROSECUTION; INJUNCTION. (a) A prosecution
- 26 may not be maintained if the issuance or renewal of a certificate of
- operation has been requested for a boiler but has not been acted on.

- However, the <u>executive director</u> [commissioner] may petition a 1 district court for an injunction to restrain the operation of the 2 boiler until the condition restraining its use is corrected and a 3 certificate of operation is issued if the executive director 4 5 [commissioner] determines that the operation of the boiler without 6 a certificate of operation constitutes a serious menace to the life 7 and safety of the persons in or about the premises. The attorney 8 general or the district or county attorney may bring the suit, and 9 venue is in the county in which the boiler is located or in Travis It is not necessary for the prosecutor to verify the 10 County. pleadings or for the state to execute a bond. 11
- (b) The <u>executive director's</u> [commissioner's] affidavit that a certificate of operation or an application for a certificate does not exist for a boiler, and the affidavit of the chief inspector or a deputy inspector that the operation of the boiler constitutes a menace to the life and safety of persons in or about the premises, are sufficient proof to warrant the immediate issuance of a temporary restraining order.
- 19 SECTION 28.016. Section 91.003(a), Labor Code, is amended 20 to read as follows:
- (a) Each state agency that in performing duties under other law affects the regulation of staff leasing services shall cooperate with the department[, the commissioner,] and other state agencies as necessary to implement and enforce this chapter.
- 25 SECTION 28.017. Section 91.015(c), Labor Code, is amended 26 to read as follows:
- 27 (c) Before denying a license application, the department

- 1 shall provide written notice to an applicant specifying the reasons
- 2 for the denial. The department shall provide the applicant at least
- 3 30 days after the date of the notice to address the reasons for the
- 4 denial. For good cause and on a showing of a good faith effort to
- 5 remedy the reasons for the denial, the executive director
- 6 [commissioner] may grant an additional 30 days to remedy the
- 7 reasons for denial.
- 8 SECTION 28.018. Section 91.048, Labor Code, is amended to
- 9 read as follows:
- 10 Sec. 91.048. REQUIRED INFORMATION. Each license holder
- 11 shall:
- 12 (1) maintain adequate books and records regarding the
- 13 license holder's duties and responsibilities;
- 14 (2) maintain and make available at all times to the
- 15 executive director [commissioner] the following information, which
- shall be treated as proprietary and confidential and is exempt from
- 17 disclosure to persons other than other governmental agencies having
- 18 a reasonable, legitimate purpose for obtaining the information:
- 19 (A) the correct name, address, and telephone
- 20 number of each client company;
- 21 (B) each client company contract; and
- (C) a listing by classification code as described
- 23 in the "Standard Industrial Classification Manual" published by the
- 24 United States Office of Management and Budget, of each client
- 25 company;
- 26 (3) notify the department of any addition or deletion
- 27 of a controlling person as listed on the license application or

- 1 renewal form by providing the name of the person not later than the
- 2 45th day after the date on which the person is added or deleted as a
- 3 controlling person; and
- 4 (4) provide a biographical history to the department
- 5 in connection with the addition of a new controlling person.
- 6 SECTION 28.019. Section 91.062(a), Labor Code, is amended
- 7 to read as follows:
- 8 (a) The  $\underline{\text{executive director}}$  [ $\underline{\text{commissioner}}$ ] may notify the
- 9 attorney general of a violation of this chapter. The attorney
- 10 general may apply to a district court in Travis County for
- 11 permission to file for quo warranto relief, injunctive relief, or
- 12 both.
- SECTION 28.020. Section 92.014(a), Labor Code, is amended
- 14 to read as follows:
- 15 (a) The department shall issue a temporary common worker
- 16 employer license to a person who meets the application requirements
- 17 established by the executive director [commissioner] and pays the
- 18 application and registration fees set by the commission.
- 19 SECTION 28.021. Section 92.031(a), Labor Code, is amended
- 20 to read as follows:
- 21 (a) A person commits an offense if the person knowingly or
- 22 intentionally violates:
- 23 (1) this chapter;
- 24 (2) a rule adopted under this chapter; or
- 25 (3) an administrative order adopted [by the
- 26 commissioner] under this chapter.
- 27 SECTION 28.022. Sections 1152.154(a) and (c), Occupations

- 1 Code, are amended to read as follows:
- 2 (a) An applicant for registration must file an application
- 3 with the department on a printed form prescribed by the executive
- 4 <u>director</u> [commissioner].
- 5 (c) The department shall refund the registration fee if the
- 6 <u>executive director</u> [commissioner] does not approve the
- 7 application.
- 8 SECTION 28.023. Section 1152.156, Occupations Code, is
- 9 amended to read as follows:
- 10 Sec. 1152.156. ELIGIBILITY TO REGISTER AS PROPERTY TAX
- 11 CONSULTANT. (a) In addition to satisfying the requirements of
- 12 Section 1152.155, an applicant for registration as a property tax
- 13 consultant must:
- 14 (1) complete at least 15 classroom hours of
- 15 educational courses approved by the <u>executive director</u>
- 16 [commissioner], including at least four hours of instruction on
- 17 laws and legal issues in this state related to property tax
- 18 consulting services; or
- 19 (2) if the person is eligible for registration under
- 20 Section 1152.155(b), submit to the commission evidence that the
- 21 applicant has completed at least four classroom hours of
- 22 educational programs or courses on the laws and legal issues in this
- 23 state related to property tax consulting services.
- 24 (b) The executive director [commissioner] may give
- 25 appropriate credit to an initial applicant for:
- 26 (1) educational courses on principles of law related
- 27 to property tax consulting services completed by the applicant not

- 1 more than two years before the date of application; and
- 2 (2) educational programs or courses completed by the
- 3 applicant on:
- 4 (A) property taxation;
- 5 (B) the property tax system;
- 6 (C) property tax administration;
- 7 (D) ethical standards; or
- 8 (E) general principles of appraisal, accounting,
- 9 or law as they relate to property tax consulting services.
- SECTION 28.024. Section 1152.159, Occupations Code, is
- 11 amended to read as follows:
- 12 Sec. 1152.159. CREDITS FOR SENIOR PROPERTY TAX CONSULTANT
- 13 APPLICANTS. (a) The executive director [commissioner] shall grant
- 14 credit to an applicant for registration as a senior property tax
- 15 consultant as follows:
- 16 (1) two credits for each year the applicant completed
- 17 at an institution of higher education that meets program and
- 18 accreditation standards comparable to those for public
- 19 institutions of higher education as determined by the Texas Higher
- 20 Education Coordinating Board, not to exceed six credits;
- 21 (2) four credits to an applicant who holds a bachelor's
- 22 degree or equivalent from an institution of higher education
- 23 described by Subdivision (1); and
- 24 (3) one credit for each year in excess of five years
- 25 that the applicant's primary occupation involved the performance or
- 26 supervision of property tax consulting services or property
- 27 appraisal, assessment, or taxation, not to exceed 10 credits.

- 1 (b) The <u>executive director</u> [<del>commissioner</del>] may grant
- 2 additional credits to an applicant for registration as a senior
- 3 property tax consultant for:
- 4 (1) successful completion of educational programs or
- 5 courses on:
- 6 (A) property taxation;
- 7 (B) the property tax system;
- 8 (C) property tax administration;
- 9 (D) ethical standards; or
- 10 (E) general principles of appraisal, accounting,
- and law as they relate to property tax consulting services;
- 12 (2) completion of other educational programs or
- 13 courses; or
- 14 (3) advanced or postgraduate educational achievement,
- 15 occupational experience, professional licenses, or professional
- designations obtained from recognized associations, institutes, or
- 17 organizations.
- (c) The executive director [commissioner] may assign not
- 19 less than one credit or more than five credits to a program or
- 20 course described by Subsection (b)(1). In determining the amount
- 21 of credit for the program or course, the executive director
- 22 [commissioner] shall consider:
- 23 (1) the nature of the program or course;
- 24 (2) the number of actual instructional hours in the
- 25 program or course;
- 26 (3) whether an examination is required for successful
- 27 completion of the program or course; and

- 1 (4) other factors the executive director
- 2 [commissioner] determines appropriate.
- 3 SECTION 28.025. Section 1152.162, Occupations Code, is
- 4 amended to read as follows:
- 5 Sec. 1152.162. ISSUANCE OF CERTIFICATE OF REGISTRATION.
- 6 (a) The <u>executive director</u> [<del>commissioner</del>] shall act on an initial
- 7 application for registration filed under Section 1152.154 not later
- 8 than the 31st day after the date the department receives the
- 9 application.
- 10 (b) The <u>executive director</u> [commissioner] shall issue to an
- 11 applicant who qualifies for registration the appropriate
- 12 certificate of registration.
- 13 SECTION 28.026. Section 1202.055, Occupations Code, is
- 14 amended to read as follows:
- 15 Sec. 1202.055. SECRETARY; PERSONNEL. The executive
- 16 director [commissioner] shall:
- 17 (1) act as secretary of the council; and
- 18 (2) provide personnel from the department necessary to
- 19 perform staff functions for the council.
- SECTION 28.027. Sections 1202.105(b) and (c), Occupations
- 21 Code, are amended to read as follows:
- 22 (b) The executive director [commissioner] shall recommend
- 23 qualified third-party inspectors and design review agencies to the
- 24 council.
- 25 (c) The executive director [commissioner] shall publish a
- list of all approved inspectors and design review agencies.
- 27 SECTION 28.028. Section 1302.002(12), Occupations Code, is

- 1 amended to conform to Section 1, Chapter 790, Acts of the 77th
- 2 Legislature, Regular Session, 2001, to read as follows:
- 3 "Mechanical integrity" means the condition of a
- 4 product, a system, or equipment installed in accordance with its
- 5 intended purpose and according to:
- 6 (A) standards at least as strict as the standards
- 7 provided by:
- 8 (i) the Uniform Mechanical Code [published
- 9 jointly by the International Conference of Building Officials and
- 10 the International Association of Plumbing and Mechanical
- 11 Officials, or their successor organizations]; and [or]
- 12 (ii) the International [Standard]
- 13 Mechanical Code [published by the Southern Building Code Congress
- 14 International, Inc., or its successor organization];
- 15 (B) all other applicable codes; and
- 16 (C) the manufacturer's specifications.
- 17 SECTION 28.029. Section 1302.102, Occupations Code, is
- 18 amended to read as follows:
- 19 Sec. 1302.102. INSURANCE REQUIREMENTS. (a) The <u>executive</u>
- 20 <u>director</u> [commissioner] shall set insurance requirements for a
- 21 license holder under this chapter.
- 22 (b) The executive director [commissioner] may waive the
- 23 insurance requirements for a license holder who does not engage in
- 24 air conditioning and refrigeration contracting for the public.
- 25 SECTION 28.030. Section 1302.151, Occupations Code, is
- 26 amended to read as follows:
- Sec. 1302.151. CONSUMER INTEREST INFORMATION. (a) The

- 1 <u>executive director</u> [commissioner] shall prepare information of
- 2 consumer interest describing:
- 3 (1) the functions performed by the <u>executive director</u>
- 4 [commissioner] under this chapter; and
- 5 (2) the rights of a consumer affected by this chapter.
- 6 (b) The information must describe the procedure by which a
- 7 consumer complaint is filed with and resolved by the <u>executive</u>
- 8 director [commissioner].
- 9 (c) The  $\underline{\text{executive director}}$  [ $\underline{\text{commissioner}}$ ] shall make the
- 10 information available to the public.
- 11 SECTION 28.031. Section 1302.203, Occupations Code, is
- 12 amended to read as follows:
- Sec. 1302.203. EX OFFICIO MEMBERS. The <u>executive director</u>
- 14 [commissioner] and the chief administrator of this chapter serve as
- ex officio, nonvoting members of the advisory board.
- SECTION 28.032. Section 1302.253(a), Occupations Code, is
- 17 amended to read as follows:
- 18 (a) The executive director [commissioner] shall issue a
- 19 Class A or Class B air conditioning and refrigeration contractor
- 20 license.
- 21 SECTION 28.033. Sections 1302.256(a) and (c), Occupations
- 22 Code, are amended to read as follows:
- 23 (a) An applicant for a license must submit a verified
- 24 application on a form prescribed by the executive director
- 25 [commissioner].
- 26 (c) The application must be accompanied by:
- 27 (1) a statement containing evidence satisfactory to

- 1 the <u>executive director</u> [commissioner] of the applicant's practical
- 2 experience required by Section 1302.255(a)(2); and
- 3 (2) the examination fee.
- 4 SECTION 28.034. Section 1302.257, Occupations Code, is
- 5 amended to read as follows:
- 6 Sec. 1302.257. EXAMINATIONS. (a) The executive director
- 7 [commissioner] shall prescribe:
- 8 (1) a separate examination for each class of license;
- 9 and
- 10 (2) within each class of license, a separate
- 11 examination for:
- 12 (A) an environmental air conditioning
- 13 endorsement; and
- 14 (B) a commercial refrigeration and process
- 15 cooling or heating endorsement.
- 16 (b) The executive director [commissioner] shall prescribe
- 17 the method and content of an examination administered under this
- 18 chapter and shall set compliance requirements for the examination.
- 19 To obtain an endorsement, an applicant must pass the examination
- 20 for the endorsement.
- 21 (c) The examination shall be offered on a monthly basis or
- 22 more frequently as determined by the <u>executive director</u>
- 23 [commissioner].
- (d) The examination shall be offered at locations within the
- 25 state as determined by the executive director [commissioner]. The
- 26 examination may be offered by computer at locations within the
- 27 state as determined by the <u>executive</u> director [commissioner].

- 1 SECTION 28.035. Section 1302.260(a), Occupations Code, is
- 2 amended to read as follows:
- 3 (a) On payment of the license fee, the executive director
- 4 [commissioner] shall issue an air conditioning and refrigeration
- 5 contractor license to an applicant who:
- 6 (1) meets the requirements of this subchapter;
- 7 (2) provides evidence of insurance coverage required
- 8 by the  $\underline{\text{executive director}}$  [ $\underline{\text{commissioner}}$ ] in accordance with this
- 9 chapter; and
- 10 (3) passes the applicable examination.
- 11 SECTION 28.036. Section 1302.303(b), Occupations Code, is
- 12 amended to read as follows:
- 13 (b) The municipality shall report a violation of the
- 14 ordinance to the executive director [commissioner] not later than
- 15 the 10th day after the date the municipality acts to enforce the
- 16 ordinance.
- SECTION 28.037. Section 1302.451, Occupations Code, is
- 18 amended to read as follows:
- 19 Sec. 1302.451. EMERGENCY AND CEASE AND DESIST ORDERS. (a)
- 20 The executive director [commissioner] may issue an emergency order
- 21 as necessary to enforce this chapter if the <u>executive director</u>
- 22 [commissioner] determines that an emergency exists requiring
- 23 immediate action to protect the public health and safety.
- (b) The executive director [commissioner] may issue the
- 25 emergency order without notice and hearing or with any notice and
- 26 hearing the executive director [commissioner] considers
- 27 practicable under the circumstances. The executive director

- 1 [commissioner] shall set the time and place for a hearing to affirm,
- 2 modify, or set aside an emergency order that was issued without a
- 3 hearing.
- 4 (c) The <u>executive director</u> [<del>commissioner</del>] may issue a cease
- 5 and desist order.
- 6 SECTION 28.038. Section 1304.007, Occupations Code, is
- 7 amended to read as follows:
- 8 Sec. 1304.007. GENERAL INVESTIGATIVE POWER OF EXECUTIVE
- 9 DIRECTOR [COMMISSIONER]. (a) The executive director
- 10 [commissioner] may investigate a provider, administrator, or other
- 11 person as necessary to enforce this chapter and protect service
- 12 contract holders in this state.
- 13 (b) On request of the executive director [commissioner], a
- 14 provider shall make the records required by Section 1304.155
- available to the <u>executive director</u> [commissioner] as necessary to
- 16 enable the <u>executive director</u> [commissioner] to reasonably
- 17 determine compliance with this chapter.
- 18 SECTION 28.039. Section 1304.102, Occupations Code, is
- 19 amended to read as follows:
- Sec. 1304.102. APPLICATION FOR REGISTRATION. (a) An
- 21 applicant for registration must submit an application to the
- 22 <u>executive director</u> [<del>commissioner</del>].
- 23 (b) The application must:
- 24 (1) be in the form prescribed by the executive
- 25 director [commissioner]; and
- 26 (2) include evidence satisfactory to the executive
- 27 director [commissioner] of compliance with the applicable

- 1 financial security requirements prescribed by Section 1304.151.
- 2 SECTION 28.040. Section 1304.104, Occupations Code, is
- 3 amended to read as follows:
- 4 Sec. 1304.104. INFORMATION CONCERNING NUMBER OF SERVICE
- 5 CONTRACTS SOLD. Information concerning the number of service
- 6 contracts sold by a provider that is submitted under Section
- 7 1304.103:
- 8 (1) is a trade secret to which Section 552.110,
- 9 Government Code, applies; and
- 10 (2) may be used only by the <u>executive director</u>
- 11 [commissioner] and the department in developing the tiered fee
- 12 schedule under Section 1304.103.
- SECTION 28.041. Section 1304.152(b), Occupations Code, is
- 14 amended to read as follows:
- 15 (b) The insurer may not cancel the policy until the insurer
- 16 delivers to the provider a written notice of cancellation that
- 17 complies with the notice requirements prescribed by Articles
- 18 21.49-2A and 21.49-2B, Insurance Code, for cancellation of an
- 19 insurance policy under those articles. The provider shall forward
- 20 a copy of the cancellation notice to the executive director
- 21 [commissioner] not later than the 15th business day after the date
- the notice is delivered to the provider. Cancellation of the policy
- does not reduce the insurer's responsibility for a service contract
- 24 issued by the provider and insured under the policy before the date
- 25 of the cancellation.
- SECTION 28.042. Sections 1304.155(b) and (d), Occupations
- 27 Code, are amended to read as follows:

- 1 (b) The records required by this section may be maintained
- 2 in an electronic medium or through other recordkeeping technology.
- 3 If a record is not in a hard copy, the provider must be able to
- 4 reformat the record into a legible hard copy at the request of the
- 5 executive director [commissioner].
- 6 (d) A provider that discontinues business in this state
- 7 shall retain its records until the provider furnishes the <u>executive</u>
- 8 director [commissioner] with proof satisfactory to the executive
- 9 <u>director</u> [commissioner] that the provider has discharged all
- 10 obligations to service contract holders in this state.
- 11 SECTION 28.043. Section 1304.202, Occupations Code, is
- 12 amended to read as follows:
- 13 Sec. 1304.202. INJUNCTIVE RELIEF; CIVIL PENALTY. (a) The
- 14 executive director [commissioner] may institute an action under
- 15 Section 51.352 for injunctive relief to restrain a violation or a
- 16 threatened violation of this chapter or an order issued or rule
- 17 adopted under this chapter.
- 18 (b) In addition to the injunctive relief provided by
- 19 Subsection (a), the <u>executive director</u> [commissioner] may
- 20 institute an action for a civil penalty as provided by Section
- 21 51.352. The amount of a civil penalty assessed under this section
- 22 may not exceed:
- 23 (1) \$2,500 for each violation; or
- 24 (2) \$50,000 in the aggregate for all violations of a
- 25 similar nature.
- SECTION 28.044. Section 1802.002, Occupations Code, is
- 27 amended to read as follows:

- 1 Sec. 1802.002. APPLICABILITY. This chapter does not apply
- 2 to:
- 3 (1) a sale conducted by order of a United States court
- 4 under Title 11, United States Code;
- 5 (2) a sale conducted by an employee of the United
- 6 States, this state, or a political subdivision of this state in the
- 7 course and scope of employment;
- 8 (3) a sale conducted by a charitable or nonprofit
- 9 organization, if the auctioneer receives no compensation;
- 10 (4) a sale conducted by an individual of the
- 11 individual's property if the individual is not engaged in the
- 12 business of selling property as an auctioneer on a recurring basis;
- 13 (5) a foreclosure sale of real property personally
- 14 conducted by a trustee under a deed of trust;
- 15 (6) a foreclosure sale of personal property personally
- 16 conducted by:
- 17 (A) a person who holds a security interest in the
- 18 property, including a mortgage; or
- 19 (B) an employee or agent of a person described by
- 20 Paragraph (A) acting in the course and scope of employment, if:
- 21 (i) the employee or agent is not otherwise
- 22 engaged in the auction business; and
- 23 (ii) all property for sale in the auction is
- 24 subject to a security agreement;
- 25 (7) a sale conducted by sealed bid;
- 26 (8) an auction conducted only for student training
- 27 purposes as part of a course of study approved by the executive

- 1 <u>director</u> [commissioner] for auctioneers;
- 2 (9) an auction conducted by a posted stockyard or
- 3 market agency as defined by the federal Packers and Stockyards Act
- 4 (7 U.S.C. Section 181 et seq.), as amended;
- 5 (10) an auction of livestock conducted by a nonprofit
- 6 livestock trade association chartered in this state, if the auction
- 7 involves only the sale of livestock owned by members of the trade
- 8 association; or
- 9 (11) an auction conducted by a charitable or nonprofit
- 10 organization chartered in this state, if the auction:
- 11 (A) is part of a fair that is organized under
- 12 state, county, or municipal authority; and
- 13 (B) involves only the sale of property owned by
- 14 the organization's members.
- SECTION 28.045. Section 1802.051(a), Occupations Code, is
- 16 amended to read as follows:
- 17 (a) A person may not act as an auctioneer or associate
- auctioneer in an auction held in this state unless the person is an
- 19 individual who holds a license issued by the executive director
- 20 [commissioner] under this chapter.
- 21 SECTION 28.046. Section 1802.054, Occupations Code, is
- 22 amended to read as follows:
- Sec. 1802.054. APPLICATION FOR LICENSE. An applicant for a
- 24 license must apply to the executive director [commissioner] on a
- 25 form provided by the executive director [commissioner] that
- 26 establishes the applicant's eligibility for the license. The
- 27 application must be accompanied by:

- 1 (1) the required bond;
- 2 (2) the required license fee; and
- 3 (3) either:
- 4 (A) the permit number of a sales tax permit
- 5 issued to the applicant by the comptroller under Subchapter F,
- 6 Chapter 151, Tax Code; or
- 7 (B) proof of exemption from the tax permit
- 8 requirement under Chapter 151, Tax Code.
- 9 SECTION 28.047. Sections 1802.055(a) and (b), Occupations
- 10 Code, are amended to read as follows:
- 11 (a) An individual who establishes that the individual is
- 12 eligible for an auctioneer's license may apply to the executive
- 13 director [commissioner] to take the license examination. The
- 14 application must be accompanied by the examination fee.
- 15 (b) On receipt of an examination application and fee, the
- 16 executive director [commissioner] shall furnish the applicant
- 17 with:
- 18 (1) study materials and references on which the
- 19 examination will be based; and
- 20 (2) a schedule specifying the dates and places the
- 21 examination will be offered.
- 22 SECTION 28.048. Sections 1802.056(b) and (c), Occupations
- 23 Code, are amended to read as follows:
- (b) The license examination shall be offered at least four
- 25 times each year at locations designated by the executive director
- 26 [commissioner].
- 27 (c) The executive director [commissioner] shall prepare:

- 1 (1) examinations for an auctioneer's license; and
- 2 (2) study and reference materials on which the
- 3 examinations are based.
- 4 SECTION 28.049. Section 1802.152(a), Occupations Code, is
- 5 amended to read as follows:
- 6 (a) The department is the manager of the fund and shall:
- 7 (1) administer the fund without appropriation;
- 8 (2) maintain books and records as required by the
- 9 <u>executive director</u> [<del>commissioner</del>];
- 10 (3) appear at hearings or judicial proceedings; and
- 11 (4) invest and reinvest the fund's assets as
- instructed by the <u>executive director</u> [commissioner].
- SECTION 28.050. Section 1802.155(b), Occupations Code, is
- 14 amended to read as follows:
- 15 (b) If the fund contains insufficient assets to pay the
- 16 consumer:
- 17 (1) the department shall record the time and date an
- order for payment to a consumer was received; and
- 19 (2) the executive director [commissioner] shall pay
- 20 consumers for whom an order is recorded under Subdivision (1) as
- 21 funds become available in the order of the recorded time and date of
- the order.
- SECTION 28.051. Section 1802.156, Occupations Code, is
- 24 amended to read as follows:
- Sec. 1802.156. EDUCATION EXPENDITURES PERMITTED. The
- 26 executive director [commissioner] may use amounts in excess of
- 27 \$250,000 in the fund to:

- 1 (1) advance education and research in the
- 2 auctioneering profession for the benefit of license holders and to
- 3 improve and increase the efficiency of the industry;
- 4 (2) underwrite educational seminars, training
- 5 centers, and other educational projects for the use and benefit of
- 6 license holders;
- 7 (3) sponsor, contract, and underwrite other
- 8 educational and research projects that advance the auctioneering
- 9 profession in this state; and
- 10 (4) cooperate with associations of auctioneers and
- other groups for the education and advancement of the auctioneering
- 12 profession in this state.
- 13 SECTION 28.052. Sections 1802.205(a) and (b), Occupations
- 14 Code, are amended to read as follows:
- 15 (a) If the department's determination under Section
- 16 1802.202 is not disputed by the auctioneer or the aggrieved party,
- 17 the executive director [commissioner] shall pay the claim from the
- 18 fund, subject to Section 1802.206.
- 19 (b) If a hearing is held on the department's determination,
- 20 the executive director [commissioner] shall pay to the aggrieved
- 21 party the amount of actual damages determined by the executive
- 22 director [commissioner].
- SECTION 28.053. Section 1802.206(a), Occupations Code, is
- 24 amended to read as follows:
- 25 (a) The executive director [commissioner] may not pay a
- single aggrieved party more than \$10,000.
- SECTION 28.054. Section 1802.208, Occupations Code, is

- 1 amended to read as follows:
- 2 Sec. 1802.208. SUBROGATION. If the <u>executive director</u>
- 3 [commissioner] pays a claim against an auctioneer, the department
- 4 is subrogated to all rights of the aggrieved party against the
- 5 auctioneer to the extent of the amount paid to the aggrieved party.
- 6 SECTION 28.055. Section 1901.051(b), Occupations Code, is
- 7 amended to read as follows:
- 8 (b) The executive director [commissioner] shall issue
- 9 licenses to applicants who qualify.
- 10 SECTION 28.056. Section 1901.151, Occupations Code, is
- 11 amended to read as follows:
- 12 Sec. 1901.151. LICENSE REQUIRED. A person may not act or
- offer to act as a driller unless the person holds a license issued
- 14 by the executive director [commissioner] under this chapter and
- 15 rules adopted under this chapter.
- SECTION 28.057. Section 1901.402, Occupations Code, is
- 17 amended to read as follows:
- 18 Sec. 1901.402. INJUNCTION AND OTHER ENFORCEMENT
- 19 PROVISIONS. (a) The <u>executive director</u> [commissioner] may bring
- 20 an action to enjoin a person from violating this chapter.
- 21 (b) The <u>executive director</u> [<u>commissioner</u>] may enforce by
- 22 injunction or other appropriate remedy in a court any rule,
- 23 decision, determination, or order adopted or entered under this
- 24 chapter.
- 25 SECTION 28.058. Section 1901.403, Occupations Code, is
- 26 amended to read as follows:
- Sec. 1901.403. VENUE. The executive director

- 1 [commissioner] may bring an action in:
- 2 (1) Travis County; or
- 3 (2) the county in which:
- 4 (A) the offending activity occurred; or
- 5 (B) the person engaging in the activity resides.
- 6 SECTION 28.059. Section 1901.404(b), Occupations Code, is 7 amended to read as follows:
- 8 (b) At the request of the <u>executive director</u>
- 9 [commissioner], the attorney general shall bring an action in the
- 10 name of the state for injunctive relief, to recover a civil penalty,
- or for both injunctive relief and a civil penalty, as authorized by
- 12 this subchapter.
- SECTION 28.060. Section 1902.151, Occupations Code, is
- 14 amended to read as follows:
- 15 Sec. 1902.151. LICENSE REQUIRED. A person may not act or
- 16 offer to act as an installer unless the person holds a license
- issued by the executive director [commissioner] under rules adopted
- 18 under this chapter.
- 19 SECTION 28.061. Section 1902.402, Occupations Code, is
- 20 amended to read as follows:
- 21 Sec. 1902.402. INJUNCTION AND OTHER ENFORCEMENT
- 22 PROVISIONS. (a) The <u>executive director</u> [<del>commissioner</del>] may bring
- 23 an action to enjoin a person from violating this chapter.
- 24 (b) The <u>executive director</u> [<del>commissioner</del>] may enforce by
- 25 injunction or other appropriate remedy in a court any rule,
- 26 decision, determination, or order adopted or entered under this
- 27 chapter.

- 1 SECTION 28.062. Section 1902.403, Occupations Code, is
- 2 amended to read as follows:
- 3 Sec. 1902.403. VENUE. The <u>executive director</u>
- 4 [commissioner] may bring an action in:
- 5 (1) Travis County; or
- 6 (2) the county in which:
- 7 (A) the offending activity occurred; or
- 8 (B) the person engaging in the activity resides.
- 9 SECTION 28.063. Section 1902.404(b), Occupations Code, is
- 10 amended to read as follows:
- 11 (b) At the request of the executive director
- 12 [commissioner], the attorney general shall bring an action in the
- 13 name of the state for injunctive relief, to recover a civil penalty,
- or for both injunctive relief and a civil penalty, as authorized by
- 15 this subchapter.
- SECTION 28.064. Section 2052.053, Occupations Code, is
- 17 amended to read as follows:
- 18 Sec. 2052.053. INVESTIGATIVE AUTHORITY. (a) The executive
- 19 director [commissioner] shall investigate allegations of activity
- 20 that may violate this chapter.
- 21 (b) The <u>executive director</u> [commissioner] may enter, at a
- 22 reasonable time, a place of business or an establishment in which
- 23 activity alleged to violate this chapter may occur. The <u>executive</u>
- 24 director [commissioner] is not required to give advance notice
- 25 before entering.
- SECTION 28.065. Section 2052.102, Occupations Code, is
- 27 amended to read as follows:

- 1 Sec. 2052.102. BOXING PROMOTER LICENSE APPLICATION
- 2 REQUIREMENTS. (a) An applicant for a boxing promoter's license
- 3 under this chapter must apply on a form furnished by the <u>executive</u>
- 4 <u>director</u> [commissioner].
- 5 (b) An application must be accompanied by:
- 6 (1) a license fee in an amount set by the commission;
- 7 and
- 8 (2) a surety bond:
- 9 (A) subject to approval by the executive director
- 10 [commissioner]; and
- 11 (B) conditioned on the applicant's payment of the
- 12 tax imposed under Section 2052.151.
- 13 (c) The executive director [commissioner] shall establish
- 14 the amount of the surety bond required under Subsection (b). The
- bond amount may not be less than \$300.
- SECTION 28.066. Section 2052.108(a), Occupations Code, is
- 17 amended to read as follows:
- 18 (a) An application for a license under Section 2052.107 must
- 19 be made on a form furnished by the executive director
- 20 [commissioner].
- 21 SECTION 28.067. Section 2052.110, Occupations Code, is
- 22 amended to read as follows:
- Sec. 2052.110. LICENSE AND BONDING EXCEPTIONS. The
- licensing and bonding requirements of this subchapter do not apply
- 25 to:
- 26 (1) a boxing event in which the participants do not
- 27 receive a money remuneration, purse, or prize for their

- 1 performances or services if the event is promoted, conducted, or
- 2 maintained by:
- 4 (B) a law enforcement organization;
- 5 (C) a Texas National Guard Unit; or
- 6 (D) an amateur athletic organization recognized
- 7 by the <u>executive director</u> [<del>commissioner</del>];
- 8 (2) a nonprofit amateur athletic association
- 9 chartered under the law of this state, including a membership club
- 10 affiliated with the association located within this state and
- 11 recognized by the <u>executive director</u> [commissioner];
- 12 (3) an event conducted by a college, school, or
- 13 university that is part of the institution's athletic program in
- 14 which only students of different educational institutions
- 15 participate; or
- 16 (4) an event in which only members of a troop, battery,
- 17 company, or unit of the Texas National Guard or a law enforcement
- 18 agency participate.
- 19 SECTION 28.068. Section 2052.111, Occupations Code, is
- 20 amended to read as follows:
- 21 Sec. 2052.111. DENIAL OF APPLICATION. The <u>executive</u>
- 22 director [commissioner] may deny an application for a license if:
- 23 (1) the applicant does not meet the qualifications for
- 24 the license; or
- 25 (2) after conducting an investigation and a hearing,
- 26 the executive director [commissioner] determines that the
- 27 applicant has violated this chapter or a rule adopted under this

- 1 chapter.
- 2 SECTION 28.069. Section 2052.203(b), Occupations Code, is
- 3 amended to read as follows:
- 4 (b) The elimination tournament boxing promoter of a local,
- 5 regional, or championship elimination tournament is not required to
- 6 require that each elimination tournament contestant wear headgear
- 7 approved by the department if the promoter under department rules
- 8 notifies the <u>executive director</u> [commissioner] of the decision not
- 9 to use the approved headgear.
- SECTION 28.070. Sections 2052.252(b) and (e), Occupations
- 11 Code, are amended to read as follows:
- 12 (b) The event may take place only if the executive director
- 13 [commissioner] approves the event not later than seven days before
- 14 the date the event begins.
- 15 (e) The event is subject to the supervision of the <u>executive</u>
- 16 <u>director</u> [commissioner].
- 17 SECTION 28.071. Section 2052.302, Occupations Code, is
- 18 amended to read as follows:
- 19 Sec. 2052.302. FORFEITURE OF PURSE. The <u>executive director</u>
- 20 [commissioner] may order a boxer or manager to forfeit to this state
- 21 a purse in an amount of not more than \$1,000 for violating this
- 22 chapter or a rule adopted under this chapter.
- SECTION 28.072. Sections 2052.304(a) and (b), Occupations
- 24 Code, are amended to read as follows:
- 25 (a) A person may seek review of a decision or an order of the
- 26 executive director [commissioner] under this chapter by filing a
- 27 petition for review in a district court in Travis County not later

- 1 than the 30th day after the date on which the decision or order of
- 2 the executive director [commissioner] is final if the person is:
- 3 (1) a party to an administrative hearing in which the
- 4 decision or order is issued; and
- 5 (2) aggrieved by the decision or order.
- 6 (b) The filing of a petition for review under Subsection (a)
- 7 does not stay the effect of the decision or order of the <u>executive</u>
- 8 director [commissioner] that is the subject of the petition. The
- 9 executive director [commissioner] or the district court in which
- 10 the petition for review is filed may order a stay on appropriate
- 11 terms.
- 12 SECTION 28.073. Section 2052.305, Occupations Code, is
- 13 amended to read as follows:
- 14 Sec. 2052.305. SERVICE OF PROCESS. A petition for review
- 15 filed under Section 2052.304 must be served on:
- 16 (1) the executive director [commissioner]; and
- 17 (2) all parties of record to a hearing before the
- 18 <u>executive director</u> [<del>commissioner</del>] that relates to the matter for
- 19 which the petition for review is filed.
- SECTION 28.074. Section 2052.306(a), Occupations Code, is
- 21 amended to read as follows:
- 22 (a) On receipt of a petition for review served under Section
- 23 2052.305, the <u>executive director</u> [<del>commissioner</del>], not later than the
- date on which the answer to the petition must be filed or the date on
- 25 which the record is made available to the executive director
- 26 [commissioner], whichever date is later, shall certify to the
- 27 district court in which the petition is filed the record of the

- 1 proceedings to which the petition relates.
- 2 SECTION 28.075. Section 2052.307, Occupations Code, is
- 3 amended to read as follows:
- 4 Sec. 2052.307. JUDICIAL REVIEW. (a) A district court
- 5 reviewing a decision or an order of the executive director
- 6 [commissioner] under this subchapter shall try the action without a
  - jury in the same manner as a civil action, except that evidence is
- 8 not admissible unless the evidence was presented at the hearing or
- 9 noticed in the record of the hearing before the executive director
- 10 [commissioner]. The petitioner has the burden of proof in the
- 11 action.

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- 12 (b) The court may:
- 13 (1) affirm the decision or order of the executive
- 14 director [commissioner]; or
- 15 (2) remand the matter to the <u>executive director</u>
- 16 [commissioner] for further proceedings.
- SECTION 28.076. Section 2052.308, Occupations Code, is
- 18 amended to read as follows:
- 19 Sec. 2052.308. APPEAL. (a) The petitioner or executive
- 20 <u>director</u> [commissioner] may appeal a final judgment of a court
- 21 conducting a review under this subchapter in the same manner as a
- 22 civil action.
- 23 (b) The <u>executive director</u> [<del>commissioner</del>] is not required
- 24 to file an appeal bond.
- 25 SECTION 28.077. Section 2151.101(a), Occupations Code, is
- 26 amended to read as follows:
- 27 (a) A person may not operate an amusement ride unless the

- 1 person:
- 2 (1) has had the amusement ride inspected at least once
- 3 a year by an insurer or a person with whom the insurer has
- 4 contracted;
- 5 (2) obtains a written certificate from the insurer or
- 6 person with whom the insurer has contracted stating that the
- 7 amusement ride:
- 8 (A) has been inspected;
- 9 (B) meets the standards for insurance coverage;
- 10 and
- 11 (C) is covered by the insurance required by
- 12 Subdivision (3);
- 13 (3) has an insurance policy currently in effect
- 14 written by an insurance company authorized to do business in this
- 15 state or by a surplus lines insurer, as defined by Chapter 981
- 16 [Article 1.14-2], Insurance Code, or has an independently procured
- 17 policy subject to Chapter 101 [Article 1.14-1], Insurance Code,
- 18 insuring the owner or operator against liability for injury to
- 19 persons arising out of the use of the amusement ride in an amount of
- 20 not less than:
- 21 (A) \$100,000 per occurrence with a \$300,000
- 22 annual aggregate for Class A amusement rides; and
- 23 (B) \$1,000,000 per occurrence for Class B
- 24 amusement rides;
- 25 (4) files with the executive director [commissioner],
- 26 as required by this chapter, the inspection certificate and the
- 27 insurance policy or a photocopy of the certificate or policy

- 1 authorized by the <a href="executive director"><u>executive director</u></a> [<a href="executive director"><u>executive director</u></a>]; and
- 2 (5) files with each sponsor, lessor, landowner, or
- 3 other person responsible for the amusement ride being offered for
- 4 use by the public a photocopy of the inspection certificate and the
- 5 insurance policy required by this subsection.
- 6 SECTION 28.078. Section 2501.053(a), Occupations Code, is
- 7 amended to read as follows:
- 8 (a) Not later than the 30th day before the date a personnel
- 9 service begins operating in this state, the owner of the service
- 10 must file notice with the <u>executive director</u> [commissioner].
- 11 SECTION 28.079. Section 2501.055(a), Occupations Code, is
- 12 amended to read as follows:
- 13 (a) On receipt of a notice filed under Section 2501.053, the
- 14 executive director [commissioner] shall issue to the owner a
- 15 certificate of authority to do business as a personnel service not
- later than the 15th day after the date the notice is filed if the
- 17 owner:
- 18 (1) pays the filing fee required for the certificate;
- 19 and
- 20 (2) complies with the requirements of Section
- 21 2501.054.
- SECTION 28.080. Section 2501.057, Occupations Code, is
- 23 amended to read as follows:
- Sec. 2501.057. RENEWAL OF CERTIFICATE. The <u>executive</u>
- 25 director [commissioner] shall issue a renewal of a certificate of
- 26 authority on the receipt of:
- 27 (1) a renewal notice from the owner that contains the

- 1 information required by Section 2501.053;
- 2 (2) a renewal fee; and
- 3 (3) security that complies with Section 2501.054.
- 4 SECTION 28.081. The heading to Subchapter D, Chapter 2501,
- 5 Occupations Code, is amended to read as follows:
- 6 SUBCHAPTER D. ENFORCEMENT [BY COMMISSIONER]
- 7 SECTION 28.082. Section 2501.151, Occupations Code, is
- 8 amended to read as follows:
- 9 Sec. 2501.151. ENFORCEMENT. (a) The executive director
- 10 [commissioner] shall enforce Section 2501.102 and may investigate a
- 11 personnel service as necessary to enforce that section.
- 12 (b) The attorney general shall assist the <u>executive</u>
- 13 director [commissioner] on request.
- 14 SECTION 28.083. Section 2501.253(a), Occupations Code, is
- 15 amended to read as follows:
- 16 (a) In addition to the amount awarded to a complainant under
- 17 Section 2501.154(b), the executive director [commissioner] may
- impose on the personnel service an administrative penalty equal to
- 19 two times the amount awarded under that subsection. A penalty
- 20 collected under this section shall be deposited in the state
- 21 treasury.
- 22 SECTION 28.084. Sections 2502.052(a) and (b), Occupations
- 23 Code, are amended to read as follows:
- 24 (a) To obtain a certificate of authority, an owner must:
- 25 (1) file with the executive director [commissioner] a
- sworn application accompanied by the required application fee; and
- 27 (2) file with the department security that complies

- 1 with Section 2502.053.
- 2 (b) The application must be in the form prescribed by the
- 3 executive director [commissioner] and include:
- 4 (1) the address of the principal location of the
- 5 career counseling service;
- 6 (2) the assumed name, if any, under which the career
- 7 counseling service will operate;
- 8 (3) the name and address of each owner; and
- 9 (4) a statement that the owner has read and is familiar
- 10 with this chapter.
- 11 SECTION 28.085. Section 2502.053(a), Occupations Code, is
- 12 amended to read as follows:
- 13 (a) Before the executive director [commissioner] may issue
- 14 a certificate of authority to an owner, the owner must file with the
- department a bond in the amount of \$10,000 that is:
- 16 (1) executed by a surety company authorized to do
- 17 business in this state;
- 18 (2) payable to the state; and
- 19 (3) conditioned on the faithful performance of the
- 20 owner's obligations under this chapter.
- 21 SECTION 28.086. Sections 2502.054(a) and (b), Occupations
- 22 Code, are amended to read as follows:
- 23 (a) The <u>executive director</u> [commissioner] shall issue a
- 24 certificate of authority to do business as a career counseling
- 25 service to an applicant who meets the requirements of this
- 26 subchapter.
- 27 (b) The executive director [commissioner] shall process a

- 1 certificate application not later than the 15th day after the date
- 2 the application is filed.
- 3 SECTION 28.087. Section 2502.251, Occupations Code, is
- 4 amended to read as follows:
- 5 Sec. 2502.251. ENFORCEMENT. (a) The executive director
- 6 [commissioner] shall enforce this chapter and may investigate a
- 7 career counseling service as necessary.
- 8 (b) The attorney general shall assist the  $\underline{\text{executive}}$
- 9 <u>director</u> [commissioner] on request.
- 10 SECTION 28.088. Section 2502.301, Occupations Code, is
- 11 amended to read as follows:
- 12 Sec. 2502.301. ADMINISTRATIVE PENALTY. In addition to the
- amount awarded to a complainant under Section 2502.254(b), the
- 14 executive director [commissioner] may impose on the career
- 15 counseling service an administrative penalty equal to two times the
- 16 amount awarded under that subsection. A penalty collected under
- 17 this section shall be deposited in the state treasury.
- 18 SECTION 28.089. Section 7(a), Article 9035, Revised
- 19 Statutes, is amended to read as follows:
- 20 (a) To ensure the adequate performance of a warrantor's
- 21 obligations to a consumer, each warrantor shall comply with
- 22 financial security requirements by:
- 23 (1) insuring its vehicle protection products under a
- 24 reimbursement insurance policy issued by an insurer authorized to
- 25 engage in the business of insurance in this state or under a surplus
- 26 lines insurance policy issued by an insurer eligible to place
- 27 coverage in this state as regulated under Chapter 981 [Article

- $1 \frac{1.14-2}{}$ , Insurance Code; or
- 2 (2) providing any other form of comparable financial
- 3 security approved by the executive director [commissioner].
- 4 SECTION 28.090. Section 1.14, Chapter 376, Acts of the 77th
- 5 Legislature, Regular Session, 2001 (Article 165c, Vernon's Texas
- 6 Civil Statutes), is amended to read as follows:
- 7 Sec. 1.14. PERSONNEL. The executive director
- 8 [commissioner] may, as provided by the General Appropriations Act,
- 9 appoint and fix the compensation of any personnel, including
- 10 specialists and consultants, necessary to perform duties and
- 11 functions under this article.
- SECTION 28.091. Section 1.41(e), Chapter 376, Acts of the
- 13 77th Legislature, Regular Session, 2001 (Article 165c, Vernon's
- 14 Texas Civil Statutes), is amended to read as follows:
- 15 (e) On written request of at least 25 qualified voters
- 16 residing in the target area or operational area mentioned in the
- 17 notice requesting an election accompanied by unsigned petitions,
- 18 the county clerk of each county within the target area or
- 19 operational area shall certify and mark for identification
- 20 petitions for circulation. An application for a petition seeking
- 21 an election to disapprove the issuance of a permit must be headed:
- 22 "Application for Election to Disapprove a Weather Modification
- 23 Permit." The application shall contain a statement just ahead of
- 24 the signatures of the applicants stating the following: "It is the
- 25 hope, purpose, and intent of the applicants whose signatures appear
- on this application to see disapproved the issuance of a permit for
- 27 weather modification, including hail suppression." An application

for a petition seeking an election to approve the issuance of a 1 permit shall be headed: "Application for Election to Approve a 2 Weather Modification Permit." The application shall contain a 3 statement just ahead of the signatures of the applicants as 4 5 follows: "It is the hope, purpose, and intent of the applicants 6 whose signatures appear on this petition to see approved the 7 issuance of a permit for weather modification, including hail 8 suppression." On the return to the county clerks of petitions 9 signed by at least 10 percent of the qualified voters residing in 10 each county within the target area or operational area in the notice requesting an election, the commissioners court of each county 11 shall call and hold an election. Notice under Chapter 111, Local 12 Government Code, of the commissioners court meeting to call and 13 hold the election is not required. The date of the election shall 14 15 be determined by the commissioners court in accordance with this section, notwithstanding Sections 41.004 and 41.0041, Election 16 17 Code. The petition must be filed with the clerk of each county within 30 days immediately following the first publication of 18 notice. The election must be held within 45 days after the date the 19 petition is received to determine whether or not the qualified 20 21 voters in the target area or operational area approve the issuance of the permit. Immediately on calling the election, the clerk of 22 23 each county within the target area or operational area shall notify 24 the executive director [commissioner] of the date of the election. 25 Except as otherwise provided in this article, elections must be held in accordance with the Election Code. 26

27 SECTION 28.092. The changes in law made by this article to

- 1 Section 755.024, Health and Safety Code, regarding the terminology
- 2 used to identify a commission or license issued by the Texas
- 3 Department of Licensing and Regulation, do not affect the validity
- 4 of a commission or license issued by the department under that
- 5 section.
- 6 ARTICLE 29. GENERAL TRANSITION; EFFECTIVE DATE
- 7 SECTION 29.001. The changes in law made by this Act
- 8 regarding the powers and duties of the executive director of the
- 9 Texas Department of Licensing and Regulation that are transferred
- 10 to the Texas Commission of Licensing and Regulation do not affect
- 11 the status of a complaint, investigation, or other proceeding. A
- 12 rule or form adopted by the executive director before the effective
- 13 date of this Act remains in effect as a rule or form of the
- 14 department until amended or changed.
- SECTION 29.002. This Act takes effect September 1, 2003.